

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES  
APPROPRIATION BILL, 1990

JULY 25, 1989.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. NATCHER, from the Committee on Appropriations,  
submitted the following

REPORT

[To accompany H.R. 2990]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Departments of Labor, Health and Human Services (except the Food and Drug Administration, Indian Health Service, and the Office of Consumer Affairs), and Education (except Indian Education), the Corporation for Public Broadcasting, the Federal Mediation and Conciliation Service, the Federal Mine Safety and Health Review Commission, the National Commission on Children, the National Commission on Libraries and Information Science, the National Commission to Prevent Infant Mortality, the National Council on Disability, the National Labor Relations Board, the National Mediation Board, the Occupational Safety and Health Review Commission, the Prescription Drug Payment Review Commission, the Prospective Payment Assessment Commission, the Physician Payment Review Commission, the Railroad Retirement Board, the Soldiers' and Airmen's Home, the United States Bipartisan Commission on Comprehensive Health Care and the United States Institute of Peace for the fiscal year ending September 30, 1990, and for other purposes.

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### SUMMARY OF ESTIMATES AND APPROPRIATIONS

The following table compares on a summary basis the appropriation for fiscal year 1989, the budget estimate for fiscal year 1990, and the Committee recommendations for fiscal year 1990 in the accompanying bill. In addition to these amounts, consideration of \$656,973,000 of budget estimates for 1990 has been deferred because authorizations have not yet been enacted for these programs. New budget authority provided in 1989 for these deferred items totals \$769,779,000.

A large portion (72.3%) of the appropriations in the bill is for *entitlement* programs in which funding levels are determined by the basic authorizing legislation. The bill includes \$112,052,784,000 for these entitlements in fiscal year 1990, an increase of \$2,334,873,000 over the amount requested by the President and an increase of \$10,676,429,000 above the amounts available for these programs in fiscal year 1989. For *discretionary* programs, in which spending is controlled through the annual appropriation bill, the bill includes \$43,138,737,000 in fiscal year 1990, an increase of \$1,966,079,000 over the President's budget and an increase of \$2,721,621,000 over the amount available for fiscal year 1989.

[In thousands of dollars]

	Fiscal year—		1990 bill	Fiscal year 1990 bill compared to	
	1989 comparable	1990 budget		1989 comparable	1990 estimate
Department of Labor.....	\$6,556,443	\$6,575,107	\$6,713,077	+ \$156,634	+ \$137,970
Department of Health and Human Services:					
Public Health Service:					
Health Resources and Services Adminis- tration.....	1,612,846	1,516,677	1,728,565	+ 115,719	+ 211,888
Centers for Disease Control.....	977,221	1,073,349	1,080,180	+ 102,959	+ 6,831
National Institutes of Health.....	7,144,819	7,529,397	7,678,625	+ 533,806	+ 149,228
Alcohol, Drug Abuse and Mental Health Administration.....	1,867,274	1,974,319	1,935,162	+ 67,888	— 39,157
Assistant Secretary for Health.....	163,946	218,046	205,546	+ 41,600	— 12,500
Subtotal, Public Health Service.....	11,766,106	12,311,788	12,628,078	+ 861,972	+ 316,290
Health Care Financing Administration.....	66,612,270	75,462,905	76,461,905	+ 9,849,635	+ 999,000
Social Security Administration.....	13,349,920	13,329,272	13,311,588	— 38,332	— 17,684
Family Support Administration.....	13,024,378	13,060,552	14,211,890	+ 1,187,512	+ 1,151,338
Human Development Services.....	6,766,991	6,727,100	7,014,323	+ 247,332	+ 287,223
Departmental Management.....	138,980	162,404	152,404	+ 13,424	— 10,000
Total, HHS.....	111,658,645	121,054,021	123,780,188	+ 12,121,543	+ 2,726,167
Current year.....	96,811,645	104,282,021	107,008,188	+ 10,196,543	+ 2,726,167
Advances.....	14,847,000	16,772,000	16,772,000	+ 1,925,000	.....
Department of Education.....	22,707,824	22,479,805	23,833,191	+ 1,125,367	+ 1,353,386

[In thousands of dollars]

	Fiscal year—		1990 bill	Fiscal year 1990 bill compared to	
	1989 comparable	1990 budget		1989 comparable	1990 estimate
Related Agencies.....	870,559	781,636	865,065	-5,494	+83,429
Grand Total.....	141,793,471	150,890,569	155,191,521	+13,398,050	+4,300,952
Mandatory.....	101,376,355	109,717,911	112,052,784	+10,676,429	+2,334,873
Discretionary.....	40,417,116	41,172,658	43,138,737	+2,721,621	+1,966,079
Unauthorized.....	769,779	656,973	(1)	(1)	(1)
Current year total using 302(b) scorekeeping	140,625,601	148,956,137	153,185,109	+12,559,508	+4,228,952
Mandatory.....	100,279,355	107,792,911	110,127,784	+9,848,429	+2,334,873
Discretionary.....	40,346,246	41,163,246	43,057,325	+2,711,079	+1,894,079

<sup>1</sup> Defer.

### TOTAL APPROPRIATIONS FOR LABOR, HEALTH AND HUMAN SERVICES AND EDUCATION PROGRAMS

In addition to the amounts included in the bill, very large sums are automatically appropriated each year for labor, health and human services, and education programs without consideration by the Congress during the annual appropriations process. The principal items in this category are the unemployment compensation, social security, medicare, and railroad retirement trust funds. The detailed estimates for the trust fund and permanent appropriations are reflected in a table appearing in the back of this report. In the aggregate, total budget authority for labor, health and human services, and education programs considered in this bill would increase from \$566,559,567,000 in 1989 to \$625,006,651,000 in 1990, an increase of \$58,447,084,000. These elements are displayed in the following table:

[In thousands of dollars]

	Fiscal year—		
	1989	1990	Change
Annual appropriation bill.....	\$141,793,471	\$155,191,521	+ \$13,398,050
Trust funds and permanent appropriations.....	439,430,670	518,636,562	+ 49,205,892
Deduct interfund payments.....	-14,664,574	-48,821,432	-4,156,858
Total current action.....	566,559,567	625,006,651	+ 58,447,084
1989 appropriations for items not yet considered.....	769,779		

### BUDGET REQUESTS NOT CONSIDERED

The Committee has deferred consideration of budget requests for some appropriations, as well as portions of requests for other appropriations, because authorizing legislation for fiscal year 1990 had not been enacted before the Committee reported the bill. The appropriation items deferred, together with the amounts requested for each and the comparable appropriations for 1989 are shown in the following table:



## BUDGET REQUESTS NOT CONSIDERED

	Comparable fiscal year 1989 appropriation	Budget request fiscal year 1990
Department of Labor:		
Targeted Jobs Tax Credit, trust funds.....	(\$14,152,000)	(.....)
Office of the Assistant Secretary for Health:		
Family planning.....	138,320,000	\$138,364,000
Adolescent family life.....	9,529,000	9,529,000
Family Support Administration:		
Refugee and entrant assistance.....	382,356,000	242,318,000
Community services, community partnerships.....	3,512,000	.....
Human Development Services:		
Child abuse challenge grants.....	4,834,000	.....
Headstart.....	.....	80,000,000
Payments to States for foster care and adoption assistance.....	45,000,000	.....
Bilingual, immigrant and refugee education.....	15,808,000	16,345,000
Action.....	170,420,000	170,417,000
Total, unauthorized, current.....	769,779,000	656,973,000

## HIGHLIGHTS OF THE BILL

**Bill total.**—Appropriates \$155,192 million for the Departments of Labor, Health and Human Services and Education and Related Agencies. This is an increase of \$4,301 million over the President's request and an increase of \$13,398 million or 9.4 percent over fiscal year 1989. The bill is within its 302(b) ceilings for both budget authority and outlays.

**Discretionary programs.**—Appropriates \$43,139 million for discretionary programs, an increase of \$2,722 million or 6.7 percent over the amounts currently available for fiscal year 1989. This is \$1,966 million more than requested by the President.

**Unauthorized activities.**—Defers consideration of budget estimates totalling \$657 million for existing programs not yet authorized for fiscal year 1990. This includes principally funding for refugee assistance, family planning grants and the Action agency. These activities received \$770 million in 1989. The Committee is holding funds in reserve under its 302(b) allocation for later funding of unauthorized programs. In addition to funding for existing programs, the Committee has reserved funds for new initiatives including child care and Headstart. When appropriations are made for these programs, the Committee will have fully utilized its 302(b) allocation.

**Department of Labor.**—Appropriates \$6,713 million for the Labor Department, an increase of \$157 million over fiscal year 1989.

**Training and employment services.**—Appropriates \$3,966 million for the Job Training Partnership Act, an increase of \$238 million over 1989. Included is \$810 million for the Job Corps, an increase of \$69 million over 1989 and \$450 million for dislocated workers, an increase of \$166 million over 1989.

**Department of Health and Human Services.**—Appropriates \$123,780 million for the Department of Health and Human Services. This is an increase of \$12,122 million above 1989 and \$2,726 million above the President's request.

*Acquired Immune Deficiency Syndrome, AIDS.*—Provides approximately \$1.6 billion for research, education and other activities directed at prevention and treatment of this fatal disease. This is an increase of 25 percent over the amount expected to be spent on AIDS in 1989. The exact amount for AIDS-related biomedical research will be determined through the peer review system as applied by the various institutes at the National Institutes of Health and the Alcohol, Drug Abuse and Mental Health Administration.

*Substance Abuse.*—Appropriates \$1,633 million for various drug abuse programs within the Departments of Health and Human Services and Education. This is the same amount provided for 1989, which was increased by \$527 million over 1988 funding.

*Homeless.*—Appropriates \$180 million for assistance to the homeless authorized under the Stewart B. McKinney Act. This is an increase of \$102 million over the 1989 appropriations.

*National Institutes of Health.*—Appropriates \$7,679 million for biomedical research activities including AIDS at the National Institutes of Health. The Committee bill is \$534 million or 7.5 percent above the 1989 appropriation and \$149 million more than requested by the President. Within this total, the Committee bill includes \$62 million for a new National Center on Human Genome Research.

*Medicaid.*—Provides \$38,616 million for Grants to States for Medicaid for fiscal year 1990, an increase of \$1,000 million over the President's request and \$4,325 million above 1989.

*Social Security Administration, administrative costs.*—Provides authority to spend \$3,833 million of Social Security trust funds for administrative costs. This is a \$102 million increase over 1989 and the same level requested by the President. The Committee has directed that no further staffing reduction be made below the level in effect on September 30, 1989. This effectively ends a five year downsizing of the agency which has cut staffing by 17,000 FTEs.

*Low Income Energy Assistance.*—Appropriates \$1,400 million for energy assistance grants, an increase of \$300 million over the President's request and \$17 million over 1989.

*Headstart.*—Appropriates \$1,400 million for Headstart, which is an increase of \$165 million over 1989. The Committee has earmarked \$50 million of this increase for salary increases for Headstart personnel.

*Department of Education.*—Provides \$23,833 million for the Department of Education. This includes \$18,433 million for discretionary activities which is an increase of \$1,467 million over 1989 or 8.6 percent. This amount is \$877 million over the President's request.

*Compensatory Education for the Disadvantaged.*—Appropriates \$5,571 million for chapter 1 grants, an increase of \$1,001 million over 1989. The Committee has given this program its highest priority in allocating funds for fiscal year 1990.

*Merit Schools and Magnet Schools.*—Permits the President to transfer up to \$350 million of funds to initiate the Merit Schools and Magnet Schools of Excellence programs *only* if these activities become authorized prior to March 1, 1990.

*Impact Aid.*—Appropriates \$739 million for the Impact Aid program. This is an increase of \$110 million over the budget request and \$6 million over 1989. This amount includes \$125 million for

category "b" payments which the President had proposed to eliminate.

*Education for the Handicapped.*—Provides \$2,064 million for handicapped education, an increase of \$103 million over 1989.

*Vocational and Adult Education.*—Provides \$1,151 million for vocational and adult education, an increase of \$78 million over 1989. This includes \$180 million to expand adult education State grants, particularly those targeted at improving workplace skills.

*Student Aid.*—Appropriates \$6,022 million for student financial assistance. This is an increase of \$208 million over the 1989 funding. This amount restores \$137 million to Perkins loans and \$50 million to state student scholarships, both of which the President proposed to eliminate. The Committee bill maintains the maximum Pell grant at \$2,300, the same level payable in 1989.

*Related Agencies.*—Provides \$865 million for the 17 related agencies funded in the bill. This includes \$314 million for the Corporation for Public Broadcasting, of which \$72 million is for replacement of the satellite.

## TITLE I—DEPARTMENT OF LABOR

### EMPLOYMENT AND TRAINING ADMINISTRATION

#### PROGRAM ADMINISTRATION

The bill includes \$63,193,000 in general funds, the amount of the budget request and \$7,759,000 less than the comparable 1989 amount. In addition, the bill includes authority to expend \$53,817,000 from the Employment Security Administration Account of the Unemployment Trust Fund, the amount of the budget request and \$5,497,000 more than the comparable 1989 amount. The total funding included for this account, \$117,010,000, is the amount of the request and is \$2,262,000 less than the comparable 1989 amount.

General funds in this account provide for Federal staff to administer employment and training programs under the Job Training Partnership Act, the Older Americans Act, the Trade Act and the National Apprenticeship Act. Trust funds provide for the Federal administration of employment security functions under Title III of the Social Security Act and the Immigration and Nationality Act as amended by the Immigration Reform and Control Act. Federal staff costs related to the Wagner-Peyser Act are split, 97 percent to three percent respectively, between unemployment trust funds and general revenues.

The Committee has funded 1,753 full-time equivalent (FTE) staff, the amount of the request and the same amount as the comparable 1989 FTE level.

The Committee recommendation provides for built-in increases totalling \$2,531,000 for pay, within grade promotions, the Federal employees' retirement system, Federal workmen's compensation increases, change of station moves, and non-personnel service costs including travel, transportation of things, rent, communications, printing, supplies, equipment, administrative support, and other services.

Program increases consist of an additional \$1,212,000 and 20 FTE for job training programs, the Job Corps, and for strategic planning and policy development activities.

Program decreases total \$6,005,000 and reflect a staff reduction of 20 FTE, along with reductions for unemployment research and training, ADP costs, non-personnel costs, and for the elimination of one-time 1989 Immigration Control and Reform Act contracts.

The Committee also recommends two financing changes, which were requested in the budget submission, to shift sources of funding between trust and general revenues. These changes do not affect the overall recommended total, and are made to be consistent with section 901 of the Social Security Act, and to change the financing method for bulk paper purchases and certain Departmental training contracts.

#### TRAINING AND EMPLOYMENT SERVICES

The Committee recommends \$3,976,486,000 for this account which provides funding authorized primarily by the Job Training Partnership Act. This is \$115,170,000 above the President's budget request and \$238,669,000 over the comparable 1989 level. Training and Employment Services is comprised of programs designed to enhance the employment and earnings of economically disadvantaged and dislocated workers, operated through a decentralized system of skill training and related services. As required by the Job Training Partnership Act, this appropriation is forwarded-funded on a July to June cycle. Funds provided for fiscal year 1990 will support the program from July 1, 1990 through June 30, 1991.

The account is comprised of two activities—Grants to States and Federally-administered programs. Grants to States programs give Governors the primary responsibility for the operation of training programs in their States. In partnership with the private sector and all levels of government, training programs emphasize increasing participants skills and private sector placement.

Separate programs designed to meet the training and employment needs of specific population segments experiencing unique problems account for the bulk of funds provided for Federally-administered programs. Programs for Indians and Native Americans, as well as for migrant and seasonal farmworkers, will continue. A program authorized by title IV of the JTPA for veterans in need of training and employment assistance will also be continued. The Job Corps will continue to provide opportunities for severely disadvantaged youth.

#### *Job training—title II-A*

For job training programs under title II-A of the Act, the bill provides \$1,787,772,000, the amount provided in 1989 and requested in the budget. This will provide a program level of about 393,700 average enrollments. These programs are operated at the local level through service delivery areas designated by the Governor. Each area has a private industry council to provide guidance and oversight with respect to activities under that area's job training plan, in partnership with the unit or units of general local government in the areas. The private industry council includes represent-

atives of the private sector, educational agencies, organized labor, and other groups in the area.

*Summer youth employment—title II-B*

The bill includes \$709,433,000 for the summer youth employment and training program for the summer of 1991, which is the same level provided in 1989 for the summer of 1990, and the same as the budget request. The amount provided is expected to result in 652,300 participants in the summer of 1991, the same as in the summer of 1990. This program is operated through the local service delivery areas. It serves low-income disadvantaged youth.

*Dislocated workers—title III*

The Committee recommends \$450,000,000 for the new Economic Dislocation and Worker Adjustment Assistance Program authorized by the amended JTPA title III. The new title III system, which became operational in 1989, includes components to promote early identification of dislocated workers, the rapid provision of services to such workers, and emphasizes the provision of longer term, better quality training to these workers. Universal rapid response capability, early intervention activities, the availability of needs-related payments to assist workers in training, and the establishing of substate delivery system all indicate that the new program should be significantly more efficient in providing timely assistance to dislocated workers than the previous program. The Committee allowance is an increase of \$50,000,000 over the budget request and an increase of \$166,227,000 above the 1989 level. An estimated average enrollment of 127,000 will be supported in 1990.

The Committee encourages the Secretary of Labor, in carrying out demonstration programs authorized under section 324(a), to set aside funds for the job creation demonstration program, section 324(a)(4). In implementing this program, the Secretary is encouraged to give priority for funding to non-profit community development corporations with a record of achievement in promoting economic development and job creation projects.

*Job Corps—title IV-B*

For the Job Corps, the bill provides \$796,971,000 for program year 1990, an increase of \$35,347,000 over the budget request, and an increase of \$55,146,000 above the 1989 appropriation. This includes \$747,539,000 for center operations and \$49,432,000 for capital costs. The Committee has provided three-year availability for capital funds. The amount in the bill will support 40,544 slots for a program which has been highly effective over a period of many years in preparing extremely disadvantaged young people for productive lives. Although it is not an inexpensive program, the Committee believes it is well worth the price.

The Committee allowance includes a requested increase of \$1,500,000 for Job Corps child care services. In addition, the Committee has not approved the proposal to contract-out the Civilian Conservation Centers nor the proposal to raise nonresidential slots from 10% to 20% of the total. The latter requires a change in the basic law. The Committee has restored a proposed artificial "savings" of \$4,347,000 and has added an additional \$10,000,000 for in-

creased operating costs that were not reflected in the budget request.

The Committee bill also includes \$13,492,000 for Job Corps center operations in program year 1989. These funds are needed to forestall slot cutbacks caused by escalating costs. The President's budget requested that these funds be transferred from Job Corps construction, rehabilitation, and acquisition in 1989, but the Congress did not accept the transfer because it would have delayed the initiation of two of the six new centers which the 1989 Appropriations Bill directed the Department to undertake. As noted in the House Report on the 1989 Dire Emergency Supplemental Bill, the Department is expected to move expeditiously in beginning all six of these new centers. The Committee allowance brings the 1989 Job Corps total to \$755,317,000, including \$692,168,000 for operations and \$63,149,000 for construction, rehabilitation, and acquisition.

In addition, the Committee has added \$15,000,000 to the 1990 budget request for Job Corps capital costs. This is for relocation within the same city of certain existing centers where facilities cannot be economically rehabilitated or maintained. Also included is \$34,432,000 for repairs, improvements and rehabilitation of existing centers.

The Committee directs that no current Job Corps centers are to be closed.

#### *Other Federally-administered programs*

For other Federally-administered programs, the bill provides \$218,818,000, an increase of \$16,331,000 over the budget request, and an increase of \$3,804,000 over 1989. The Committee allowance includes funding for job training for native Americans (\$58,996,000) and migrant and seasonal farmworkers (\$68,540,000), veterans training programs (\$9,474,000), research and evaluation (\$18,429,000), training and technical assistance (\$5,692,000), labor market information (\$4,434,000), commissions (\$5,000,000), pilots and demonstrations (\$30,253,000), rural concentrated employment programs (\$5,500,000), American Samoans (\$2,500,000) and homeless job training (\$10,000,000).

The Committee expects that the American Samoan program will be open to competition in 1990 to all States with concentrations of Samoans.

The bill restores the migrant and seasonal farmworkers training program to the 1989 level. This is necessary to assist the Department in meeting the demand for training services to agricultural workers who have recently become eligible for the program as a result of the Immigration Reform and Control Act. It is estimated that this newly eligible population will nearly triple the number of individuals nationally who may seek assistance under the program. Estimates of increases in eligible population in individual states range as high as 600%. The Department has attempted to address this imbalance by allocating, by formula, a significant portion of funding based upon the number of newly eligible agricultural workers in each state.

The Department is currently in the second year of a two-year agreement to provide essential data and technical assistance regarding the changing needs of farmworkers and their families and

the effectiveness of services provided to them under this program. The Committee urges the continuation of this information and training activity for Program Year 1990.

In order to improve housing conditions for migrant and seasonal farmworkers, the Committee directs that, for Program Year 1990, the Department of Labor continue the farmworker housing program at a level no less than that in effect for Program Year 1989.

#### COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

The bill includes \$354,000,000 for community service employment for older Americans, an increase of \$18,000,000 over the budget request and \$10,176,000 over the 1989 level. The program, authorized by title V of the Older Americans Act, provides part-time employment in community service activities for unemployed, low-income persons aged 55 and over. The program is forward-funded from July to June, and the 1990 appropriation will support the effort from July 1, 1990 through June 30, 1991.

The Committee has appropriated 78 percent of the funds for national sponsors, with the remaining 22 percent going to the States. An estimated 67,800 average enrollments will be supported by the Committee allowance.

The title V program has amply demonstrated the valuable contribution that older workers can make in their communities. The Committee reaffirms its strong support for this effective program and encourages efforts to obtain greater minority and ethnic participation. It is the intent of the Committee that the current sponsors continue to build upon their past accomplishments, and it is further expected that the Department of Labor will maintain substantially the existing status and method of operations of this successful program.

The Committee encourages service delivery areas under the Job Training Partnership Act to make greater use of national sponsors under the community service employment program for older Americans as a means for enrolling more economically disadvantaged persons age 55 or older in training programs. Service delivery areas should continue to utilize State and area agencies on aging and increase their involvement in job training programs.

The \$18,000,000 added by the Committee will be used to cover any Federal or State minimum wage increases that have been or may be enacted, and to expand the number of jobs funded.

#### FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

The bill includes \$284,000,000, the amount of the budget request and \$11,482,000 over the comparable 1989 amount. The 1990 Committee recommendation for this account provides for funding two of the three activities financed in 1989 by this account.

The first activity recommended for funding by the Committee is Trade Adjustment Assistance benefits, which provides unemployment benefit payments to workers, as authorized by the Trade Act of 1974, as amended. The \$204,000,000 recommended by the Committee for this activity will allow an estimated 41,200 workers to receive approximately 1,130,000 weeks of trade adjustment assistance benefits at an average weekly amount of \$181.00.

The second activity recommended for funding is Trade Adjustment Assistance training. This activity, which was partially funded in 1989 by the Training and Employment Services appropriation and by a supplemental to this account, is now contained entirely in this account in 1990. The activity provides for training, job search and job relocation allowances to workers adversely affected by imports. The funding for this activity is authorized under the Trade Act of 1974, as amended by the Omnibus Trade and Competitiveness Act of 1988. The \$80,000,000 recommended by the Committee will provide services for an estimated 35,500 workers, of whom 29,300 will receive classroom training, 4,600 will receive on-the-job training, and 1,600 will receive job search and job relocation allowances. The 1990 funding recommended by the Committee for this activity is the full amount authorized by law.

The third activity in this account, for which no funds were requested by the Administration, is Unemployment Assistance and Payments under other Federal Unemployment Programs. This activity provides for payment of benefits under the Redwood National Park Expansion Act. The \$2,000,000 provided for this activity in 1989 represents the final funding for the Redwood National Park amendments of 1978, as this program expires, except for certain pension and health benefits payments, on September 30, 1989.

#### STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

The bill includes \$2,559,700,000, an increase of \$97,600,000 over the request and an increase of \$87,185,000 over the comparable amount provided for 1989. The total includes an appropriation from general funds of \$22,000,000, together with authorization to spend \$2,537,700,000 from the Employment Security Administration Account of the Unemployment Trust Fund. The funds in this account are used to pay the administrative costs of the unemployment insurance and employment service activities in the State Employment Security Agencies.

For unemployment insurance services, the bill provides \$1,725,400,000, including contingency amounts, to be expended from the Employment Security Administration Account of the Unemployment Trust Fund. This is the amount of the request and an increase of \$70,402,000 more than the comparable amount for 1989. This 1990 level will support an estimated 39,247 staff years, 402 less than 1989. The Committee has included \$19,148,000 in the unemployment insurance services activity to upgrade State automated systems for benefit payment and collection of taxes.

The Committee recommendation provides for built-in unemployment insurance increases for State salary, non-personal services costs, and postage, as well as a shift of some workload costs from base funding to contingency funding, due to the estimated reduction in weekly claims from 1.8 million claims per week in 1989 to 1.7 million claims per week in 1990. Built-in decreases reflect changed economic assumptions, productivity savings due to automation grants, and the reduction in the average weekly workload.

Program changes for unemployment insurance services include increases for inflation, the Postal Service rate increase of April



1988, and restoration of automation funding to the 1988 level. Program decreases result from reduced equipment purchases and efficiency savings in the quality control operations area, and the reduced need for UI reform funds. The Committee has also determined that funding for amortization of State employment service independent retirement plans should no longer be derived from the unemployment insurance contingency fund but, more appropriately, the employment service national activity.

For the Employment Service, the bill provides \$834,300,000, an increase of \$97,600,000 over the request and \$16,783,000 over 1989. Of this 1990 amount, \$22,000,000 is provided from the general fund and the balance, \$812,300,000, is available from the Employment Security Administration Account of the Unemployment Trust Fund.

Included in the Employment Service amounts are \$789,700,000 for State grants, for the program year July 1, 1990 through June 30, 1991, \$97,600,000 more than the budget request and \$25,948,000 over the 1989 program year. This provides about a three percent increase over 1989. The Committee rejects the Administration proposal to reduce this program by \$71,652,000. Based on the recent history of employment service staff reductions and office closings, the Committee is opposed to any further reduction, particularly on the unproven premise that other programs will make up the difference. Of particular concern are any proposed closings of small local service points in rural areas of the country. Reports received by the Committee raise the question of fairness in some States. These closings would force unemployed citizens to drive long distances to receive basic employment services. With the additional funds provided in this bill there should be no necessity to close these offices and the Committee fully expects the Department and the States to maintain the operation of these offices.

The balance of the Employment Service recommendation, \$44,600,000, is for national activities, and is the amount of the budget request and \$9,165,000 less than 1989. There is a built-in increase of \$1,799,000 for inflation, and program increases of \$3,221,000 for immigration workloads, \$432,000 for national activities, including test development, and \$36,000 to provide for financing State employment service independent retirement funds. The reduction from 1989 is accounted for by the targeted jobs tax credit (TJTC) program which is not yet authorized for the full year in fiscal 1990. The Committee has deferred funding for TJTC without prejudice pending its reauthorization. The Committee has always supported this program and will continue to do so. The authorizing committees are urged to expedite the reauthorization and to make an effort to extend the program for more than one year at a time. The Department of Labor should examine the operation of TJTC in the States with a view toward reducing the costs of administering it. The Department should make recommendations to the States concerning streamlining the program and reducing the costs of administration.

## ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

The bill includes \$33,000,000, the amount of the request, and a decrease of \$91,000,000 from 1989. The appropriation is available to provide advances to several accounts for purposes authorized under various Federal and State unemployment compensation laws and the black lung compensation program, whenever balances in such accounts prove insufficient. Of these accounts, the bill anticipates that advances will only be required for the Black Lung Disability Trust Fund. The fund balances, and the appropriations provided by the Committee for 1990 are expected to be sufficient for payment of benefits from other accounts. Funds advanced to the Black Lung Disability Trust Fund are repayable to the general fund of the Treasury.

## LABOR-MANAGEMENT SERVICES

### SALARIES AND EXPENSES

The bill includes \$75,207,000, the amount of the budget request. This is an increase of \$2,928,000 over the comparable FY 1989 amount. The recommendation provides for 1,000 full-time equivalent (FTE) staff, which is a decrease of 17 FTEs from the FY 1989 level. This level includes a net program increase totaling \$1,247,000 and a mandatory increase of \$1,681,000 covering increased costs of pay; personnel benefits; space rental; rent, communications and utilities; travel; transportation; printing; contracts; Working Capital Fund; supplies and equipment. The bill also provides for a decrease of 17 FTE, 11 in the Office of Labor-Management Standards (OLMS) and 6 in the Pension and Welfare Benefits Administration (PWBA), related to a financing change of \$612,000 that reflects increased use of contractual services.

The Department of Labor will use these funds and staff resources to carry out its responsibilities under the Employee Retirement Income Security Act (ERISA), the Federal Employees' Retirement System Act (FERSA), the Labor-Management Reporting and Disclosure Act (LMRDA), and related acts, and to insure that fair and equitable protective arrangements are afforded employees affected by transportation and other Federal assistance programs, and to encourage voluntary, cooperative labor-management programs.

The bill includes \$5,883,000 and 71 FTEs for the Bureau of Labor-Management Relations and Cooperative Programs, which represents an increase of \$153,000 over 1989. The Bureau promotes voluntary, cooperative labor-management relations programs and assures protective arrangements for employees affected by Federal assistance programs.

The Department's Office of Labor-Management Standards, which is responsible for enforcement of the LMRDA and related acts covering public employees, receives \$25,493,000 and 424 FTEs under the bill. This represents an increase of \$422,000 over 1989.

The Pension and Welfare Benefits Administration, which is responsible for enforcement of ERISA and the fiduciary prohibited transactions and bonding provisions of FERSA, receives \$43,831,000 and 505 FTEs. This represents an increase of \$2,353,000 above the 1989 level. The bill includes \$6,400,000 to be available until Sep-

tember 30, 1991, to reimburse the Internal Revenue Service for data entry and editing services related to the operation of the automated ERISA information system. This increase is partially offset by a program decrease of \$4,940,000 for one-time start up costs of the ERISA information system. The bill also includes a program increase of \$1,200,000 for pension and health care research.

#### PENSION BENEFIT GUARANTY CORPORATION

This is a wholly-owned government corporation that was established by the Employee Retirement Income Security Act of 1974. The law places it within the Department of Labor and makes the Secretary of Labor the chairman of its board of directors. The Corporation is self-financing and receives its income primarily from insurance premiums collected from covered pension plans, collections of employer liabilities imposed by the Act, and investment earnings. It is also authorized to borrow up to \$100 million from the Treasury. The primary purpose of the Corporation is to guarantee the payment of pension plan benefits to participants in the event that covered plans fail or go out of existence.

The Corporation's budget program for 1990 includes benefit payments of \$795,844,000, multiemployer financial assistance of \$1,800,000, an administrative expenses limitation of \$42,301,000 and non-limitation expenses, in other contractual services, of \$28,053,000. In the administrative expenses activity, the recommendation provides for 546 full-time equivalent (FTE) staff, and a net increase of \$1,564,000 over the 1989 amount.

The Committee has approved the requested program increases of \$420,000 to provide an increase in contract costs; \$100,000 for a cost-benefit evaluation of in-house versus off-site benefit check processing; \$200,000 to acquire technical assistance to review and improve ADP systems for effectiveness and response time; and \$163,000 for an increase in contractor support for central filing operations, participant communications and word processing support. An increase of \$861,000 for built-in items such as within-grade promotions and increased costs of Working Capital Fund, rent, and contractual services is also provided.

The Committee has also approved the requested program decrease of \$180,000 related to one-time costs for contract needs. The bill provides for a net decrease of \$1,044,000 in the other contractual Services activity, which is non-limitation, to reflect the most recent estimates of contractual services in connection with the termination of pension plans.

#### EMPLOYMENT STANDARDS ADMINISTRATION

##### SALARIES AND EXPENSES

The bill includes \$218,322,000, the amount proposed in the budget request and an increase of \$5,761,000 over the 1989 comparable amount. The bill also contains authority to expend \$1,019,000 from the Special Fund established by the Longshore and Harbor Workers' Compensation Act, which is the amount requested.

The Employment Standards Administration is involved in the administration of numerous laws, including the Fair Labor Standards

Act, the Immigration Reform and Control Act of 1986, the Migrant and Seasonal Agricultural Workers' Protection Act, the Davis-Bacon Act, the Federal Employees' Compensation Act, the Longshore and Harbor Workers' Compensation Act, and the Federal Mine Safety and Health Act (Black Lung).

The Committee has approved 4,049 full-time equivalent (FTE) staff for this agency, a net decrease of 52 from the comparable number in 1989. That number includes 329 FTEs financed by a transfer of \$28,640,000 from the Black Lung Disability Trust Fund.

The bill includes program increases and decreases as requested. An increase of \$939,000 and 30 FTEs is provided for increased homeworker enforcement. An increase of \$600,000 is provided for additional permanent change of station moves to fill managerial vacancies resulting from an unusually large number of anticipated retirements. Authority to expend an additional \$480,000 from the Special Fund is included to improve the administration of the Fund.

The Committee has also approved a reduction of 30 FTEs and \$910,000 in the Black Lung program due to decreased workload and a declining beneficiary population. In order to ensure claimant service, increases provided include \$300,000 for toll-free telephone lines giving claimants direct access to District Offices, and \$43,000 for reimbursement to the Social Security Administration for additional claims intake workload.

Mandatory increases totaling \$7,224,000 over the current fiscal year are approved by the Committee for within-grade increases and career ladder promotions, benefits, increased charges for travel, utilities, space rental, supplies, equipment, contract services, and the Working Capital Fund.

The bill also includes a reduction of 52 FTEs to reflect contracting out some specific support functions and a program reduction of \$1,025,000 due to budgetary constraints. Built-in decreases totaling \$2,598,000 primarily reflect reductions related to one-time contract and equipment costs, and decreased costs for ADP.

#### SPECIAL BENEFITS

The bill includes \$255,000,000, the same as the budget request and the same amount as 1989. This appropriation primarily provides benefits under the Federal Employees' Compensation Act. The payments are prescribed by law.

The total amount estimated to be available in fiscal year 1990, including anticipated reimbursements from Federal agencies of \$1,150,000,000, is \$1,371,000,000, an increase of \$62,000,000 over the total amount available in 1989. Reimbursements from Federal agencies are expected to rise by \$87,000,000. Actual payments will increase over 1989 levels as a result of a continuing increase in costs for medical examination and treatment and higher-cost new cases entering the rolls. The amount approved by the Committee includes \$34,000,000 to be drawn down in FY 1989 against the FY 1990 appropriation primarily to cover payments to former Post Office Department employees that will not be reimbursed by the Postal Service.

Beginning in 1990, FECA benefits will be paid from this account to employees of the Panama Canal Commission. In 1989, a Panama Canal Commission Compensation Fund was established to provide for the accumulation of funds to defray the Commission's worker's compensation obligations pursuant to the Federal Employees' Compensation Act.

#### BLACK LUNG DISABILITY TRUST FUND

The bill includes authority to obligate \$641,082,000 from the Black Lung Disability Trust Fund in FY 1990. This is the full amount of the request and a decrease of \$48,298,000 from the 1989 comparable amount.

The amount available for FY 1990, including \$20,918,000 from the prior year, will provide \$611,404,000 for benefit payments, and \$49,840,000 and \$756,000 for administrative expenses for the Departments of Labor and Treasury, respectively. In FY 1989, obligations for benefit payments are estimated to be \$625,687,000 and budget authority of \$56,634,000 and \$756,000 is provided for administrative expenses for the Departments of Labor and Treasury, respectively. A total of 674 Department of Labor FTEs will be financed from the Trust Fund in 1990 including 329 in the Employment Standards Administration, 336 in Departmental Management, and 9 in the Office of the Inspector General. It is estimated that 128,000 people will be receiving black lung benefits financed from the Trust Fund by the end of FY 1990. This compares with 132,000 receiving benefits in 1989.

The Trust Fund pays all black lung compensation/medical and survivor benefit expenses when no responsible mine operator can be assigned liability for such benefits, or when coal mine employment ceased prior to 1970, as well as all administrative costs which are incurred in administering the benefits program and operating the Trust Fund.

The basic financing for the Fund comes from a coal excise tax for underground- and surface-mined coal. Additional funds come from reimbursement payments from mine operators for benefit payments made by the Fund before the mine operator is found liable, and advances, estimated at \$33,000,000 in FY 1990, to the Fund to assure availability of necessary funds when liabilities may exceed other income. The Omnibus Budget Reconciliation Act of 1987 continues the current tax structure until 2014.

The FY 1990 appropriation reflects the cost of benefits and program administration, but includes no funds for the payment of interest on the outstanding indebtedness of the Trust Fund as provided in the Consolidated Omnibus Budget Reconciliation Act of 1985.

#### OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

##### SALARIES AND EXPENSES

The bill includes \$270,248,000, which is an increase of \$2,500,000 over the budget request and an increase of \$22,261,000 over the 1989 comparable level. A total of 2,429 full-time equivalent (FTE) staff is provided, including 1,268 compliance officers. The amount of the budget request considered includes an increase of \$14,856,000

requested as a budget amendment for State programs in a letter from the Secretary of Labor.

The bill provides a total of \$60,633,000 for State operational grants, which is an increase of \$2,500,000 over the revised budget request, and an increase of \$14,949,000 over the 1989 comparable level. The increase over the request is to allow States to maintain current program levels and is to be allocated among the States as an across-the-board cost-of-living increase. The bulk of the increase over 1989 is accounted for by the resumption of the California State program effective July 1, 1989.

Onsite consultation programs are funded at \$25,318,000, an increase of \$1,137,000 over 1989. The bill also includes increases totaling \$5,694,000 for built-in items such as within-grade promotions, space rental, and health insurance costs. Planned decreases of \$1,876,000 for one-time costs associated with the temporary establishment of Federal coverage in California, and \$475,000 in grants for the New Directions program are approved.

The Committee also approves program increases of \$2,500,000 for the BLS redesign of the occupational safety and health statistical program, and \$180,000 to print educational and informational material. The bill also provides for a financing change of \$124,000 to revise the method of funding bulk paper purchases and certain training contracts.

The Committee has included certain bill language carried in last year's bill that restricts the use of funds for certain purposes. First, the bill contains language that effectively exempts farms employing 10 or fewer people from the provisions of the Act except those farms having a temporary labor camp. Second, the bill includes language prohibiting the promulgation or enforcement of any regulation affecting any work activity by reason of recreational hunting, fishing, or sport shooting in that area. Third, the bill continues to exempt employers of 10 or fewer from routine safety inspections if they are within a category having an occupational injury lost workday case rate that is below the national average.

## MINE SAFETY AND HEALTH ADMINISTRATION

### SALARIES AND EXPENSES

The bill includes \$170,039,000, an increase of \$1,000,000 over the budget request and an increase of \$7,146,000 over the 1989 comparable amount. A total of 2,775 full-time equivalent (FTE) staff is provided. Included are 828 for coal inspectors and 373 for metal/nonmetal inspectors.

The bill includes the requested program increases of \$450,000 to conduct special studies and analyses for standards development and \$2,467,000 to continue replacement of aging ADP hardware and support systems. An increase of \$3,259,000 for built-in items such as within-grade promotions, annualization of the FY 1989 pay increase, Federal Employees' Compensation payments, Working Capital Fund, other contractual services, rent, and travel is also provided.

The bill provides for a decrease of 15 full-time equivalent positions and a financing change of \$640,000 to reflect increased use of contractual services, and \$108,000 to change the method of financ-

ing bulk paper purchases and certain Department of Labor training contracts. A decrease of \$30,000 is included for a reduction in non-personnel costs.

The Committee has provided an increase of \$1,000,000 over the request for the State grant program for miner training. The total in the bill is \$5,988,000. This program has not been increased for a number of years, and the Committee believes that this modest increase can be effectively used by the States.

The Committee has included language carried in last year's bill prohibiting the use of funds to carry out the training provisions of the Act with respect to shell dredging or with respect to any sand, gravel, surface stone, surface clay, colloidal phosphate or surface limestone mine.

## BUREAU OF LABOR STATISTICS

### SALARIES AND EXPENSES

The bill includes \$193,771,000 in general funds, which is \$600,000 over the budget request, and an increase of \$6,198,000 over the 1989 comparable level. In addition, the bill includes authority to expend \$49,518,000 from the Employment Security Administration Account in the Unemployment Trust Fund, an increase of \$400,000 over the amount requested, and \$3,751,000 over the comparable 1989 level. The Bureau of Labor Statistics is the principal fact-finding agency in the Federal Government in the broad field of labor economics. The Committee has approved a full-time equivalent (FTE) staff level of 2,203, a net increase of 30 over 1989. This staff increase is related to the annualization of the International Price and Business Establishment List programs, and the revision of the Current Population Survey.

The Committee has approved the requested program increases. This includes \$2,580,000 for the revision of the Current Population Survey and \$1,200,000 for the Permanent Mass Layoffs and Plant Closings Program.

The Committee has provided \$600,000 to restore published unemployment data for major metropolitan areas and \$400,000 to restore local areas eliminated from the Current Employment Statistics Program.

In accordance with the President's request, the Committee recommends funds for redesigning the Current Population Survey and urges the Bureau to redesign the survey as soon after the 1990 census as is possible. The Committee also urges the Bureau to study the feasibility of including unemployment data from all 50 States in the Current Population Survey.

The bill also includes increases of \$7,471,000 to cover increased costs for built-in items such as increased State costs in connection with the Federal-State cooperative programs, within-grade promotions, space rental, funding the Census Bureau contract, and the Working Capital Fund. A planned decrease of \$1,082,000 in the Standard Industrial Classification System revision and reductions of \$833,000 related to one-time costs for contracts and \$387,000 in non-personnel costs due to budgetary constraints are approved. The recommendation also provides for a financing change of \$186,000 to

revise the method of funding bulk paper purchases and certain training contracts.

The Committee commends and encourages the Bureau for its ongoing effort to better measure productivity in service sector industries, and to analyze the relationship between information technology and productivity.

## DEPARTMENTAL MANAGEMENT

### SALARIES AND EXPENSES

The bill includes \$114,732,000, an increase of \$700,000 over the budget request and a decrease of \$4,195,000 from the FY 1989 comparable level. The bill also includes authority to transfer \$285,000 from the Employment Security Administration Account of the Unemployment Trust Fund, an increase of \$3,000 over FY 1989.

The Committee has approved 1,898 full-time equivalent (FTE) staff, a decrease of 118 from FY 1989. The number includes 336 FTE that are financed by a transfer of \$20,691,000 from the Black Lung Disability Trust Fund.

The bill includes requested program increases totalling \$1,354,000 and 8 FTE. An increase of \$215,000 and 3 FTE is included for the Office of Administrative Appeals to process an increased number of appeals in compliance with regulatory deadlines. An increase of \$480,000 and 2 FTE is included for increased Longshore Act adjudicatory activities by the Office of Administrative Law Judges. An increase of \$461,000 and 3 FTE is also included for the Directorate of Civil Rights to permit it to process increased numbers of Title VI complaints under the Civil Rights Act of 1964. An increase of \$48,000 is provided related to the redistribution of Working Capital Fund charges within the account to the President's Committee on Employment of People with Disabilities. Lastly, an increase of \$150,000 is provided for the Bureau of International Labor Affairs for a one-time grant to the International Labor Organization to establish a computerized index of workers rights cases.

The bill includes \$6,803,000 for the Women's Bureau, including \$1,700,000 for project funds, an increase of \$700,000 over the budget request. The Committee is encouraged by the Department's demonstrated commitment to model demonstration projects within the Women's Bureau, including the Displaced Homemakers Network. The Committee expects expanded funding of this important network.

The bill contains program decreases totalling \$13,013,000 and 126 FTE. The major program decrease is a reduction of 97 FTE and \$5,332,000 in the Legal Services and Adjudication activities supporting the Black Lung program. This is related to the Department's completion of the goal to eliminate the Black Lung case backlog in the Administrative Law Judge area.

Other decreases are included in the bill related to one-time funding provided in FY 1989. This includes a program decrease of \$247,000 for the Office of the Assistant Secretary for Policy reflecting a one-time expenditure in FY 1989 for the design of a National Study on Aging, Fitness and Public Employment. A reduction of



\$2,000,000 is also included related to one-time funding in FY 1989 for employee alcohol and drug assistance programs.

Several other staff-related program decreases are included in the bill. A decrease of 7 FTE and \$729,000 is included from the Legal Services activity related to productivity improvements. Two staff-related decreases are also included in the administration and management activity. One is a decrease of 8 FTE and \$337,000 for automated data processing services now contracted out. The other is a decrease of 14 FTE and \$673,000 related to contracting out of Departmental library services. Finally, the bill contains a program decrease of \$3,695,000 related to budgetary constraints.

The bill also provides for built-in increases totalling \$3,119,000. This amount reflects mandatory increases for such items as increased personnel compensation and benefits costs, as well as mandatory non-personnel cost increases for such items as space rental, Working Capital Fund and contract costs. The recommendation also provides for a financing change of \$272,000 to reflect a change in the method of funding bulk paper purchases and certain training contracts.

#### ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

The bill includes \$162,623,000, the amount of the request and an increase of \$5,103,000 over the comparable amount for 1989. The bill provides authority to expend the amount allowed from the Employment Security Administration Account of the Unemployment Trust Fund. The Committee has also approved 288 full-time equivalent (FTE) staff, 12 more than authorized in 1989.

The bill provides \$75,167,000 for the Disabled Veterans Outreach Program, the amount of the request and an increase of \$2,205,000 over the comparable 1989 amount. The bill also provides \$69,250,000 for the Local Veterans Employment Representative program, the amount of the request and \$2,252,000 more than the comparable 1989 amount. The Local Veterans Employment Representative program increase is the result of the enactment of Public Law 100-323, the Veterans' Employment, Training, and Counseling Amendments of 1988, which specified the number of State staff. Both of these increases are built-in, and their staff levels are now formula-driven.

The bill also provides \$2,600,000 for the National Veterans Training Institute, the amount of the budget request and an increase of \$31,000 over the 1989 comparable amount.

The bill further provides \$15,606,000 and 288 FTE for Federal administration, the amount of the budget request and \$615,000 and 12 FTE more than the 1989 comparable amount.

Built-in changes to the appropriation consist of administrative increases totalling \$286,000 for promotions, workmen's compensation, retirement, and non-personnel costs, such as travel, rent and contract costs. In addition, built-in costs for the National Veterans' Training Institute total \$93,000 and the built-in cost for grants for state employee compensation totals \$5,039,000.

Program changes consist of a \$476,000 increase, for 12 additional staff, and decreases of \$670,000 for budgetary constraint reductions, and \$121,000 for an elimination of one-time contract costs.

## OFFICE OF THE INSPECTOR GENERAL

The bill provides \$41,997,000 in general funds and authority to transfer \$5,194,000 from the Employment Security Administration account in the Unemployment Trust Fund. The general fund amount represents an increase of \$2,379,000 over the 1989 level, while the Unemployment Trust Fund amount decreases by \$439,000 from the 1989 level. The Black Lung Disability Trust Fund amount is \$509,000, the same as the 1989 level. The combined general and trust fund dollars available to the Inspector General in 1990 are \$47,700,000 which is the same as the Administration's request and an increase of \$1,940,000 over the 1989 amount of \$45,760,000.

The Committee has approved the 547 full-time equivalent (FTE) staff in the budget request. This represents the same number of FTEs as 1989. Seventy-one of the 547 FTEs will be financed by transfer of \$5,703,000 from trust funds.

The bill provides a net mandatory increase of \$951,000 over 1989, primarily for items such as personnel compensation, benefits and travel. The bill also includes an increase of \$1,183,000 to fund existing levels of audit contracts and other non-personnel services in FY 1990, and a reduction of \$194,000 to reflect one-time costs for audit contracts. The bill provides for financing changes of \$36,000 due to a change in the method of funding bulk paper purchases and certain training contracts and \$524,000 to shift staff between general and trust fund activities to reflect workload priorities.

## TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

### PUBLIC HEALTH SERVICE

#### ACQUIRED IMMUNE DEFICIENCY SYNDROME/NATIONAL HIV PROGRAM

The Committee has not adopted the President's proposal to fund all activities related to acquired immune deficiency syndrome, AIDS, under a single, consolidated appropriation account. The accompanying bill follows the traditional procedure of including these funds within the separate appropriations of each of the various agencies and institutes of the Public Health Service. The Committee has departed from past procedure, however, in that it has not earmarked a definite dollar amount within the report for AIDS-related biomedical research conducted by the National Institutes of Health and the Alcohol, Drug Abuse and Mental Health Administration. The Committee believes that the rapid expansion of AIDS research between 1982 and 1989 required this unusual treatment but that the level of activity has now reached the point where AIDS research should be managed by the NIH using the same system as it uses for other critical illnesses such as diabetes and Alzheimer's disease. In these cases, while the President's budget assumes a certain funding level, the precise amount expended is determined by the Institute based on the quality of applications submitted and competing research priorities. This process relies on the judgement of the peer review system and scientific advisory boards which are the backbone of NIH's quality control

system. Use of this process could result in a somewhat higher or lower final figure for AIDS. Including funds contained in other bills for the Food and Drug Administration and the Indian Health Service, the Committee believes that enactment of the bill as reported would result in expenditures for AIDS in fiscal year 1990 of approximately \$1.6 billion which is an increase of more than 24 percent above the amount expected to be spent in 1989.

**AIDS Funding History—Public Health Service:**

Fiscal year:	
1984 .....	\$61,460,000
1985 .....	108,618,000
1986 .....	233,812,000
1987 .....	502,455,000
1988 .....	962,018,000
1989 .....	1,289,179,000
1990, estimate.....	1,600,000,000

**Estimated total Government spending on AIDS, Fiscal Year 1990:**

Public Health Services .....	1,600,000,000
Medicaid (Federal Share).....	670,000,000
Medicare .....	110,000,000
Social Security .....	209,000,000
Other HHS .....	6,000,000
Labor Department .....	1,000,000
Defense Department.....	58,000,000
Veterans Affairs.....	186,000,000
State Department.....	2,000,000
Agency for International Development .....	42,000,000
Justice/Bureau of Prisons .....	3,000,000

Total, Federal Government .....	2,887,000,000
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The Committee has not approved the AIDS funds transfer authority that was requested in the budget. However, the Committee has included a general provision, section 213, similar to last year's bill which allows the Secretary to transfer AIDS funds between appropriation accounts. The Committee expects the Department to follow the normal reprogramming procedures when making use of this authority.

## HEALTH RESOURCES AND SERVICES ADMINISTRATION

### HEALTH RESOURCES AND SERVICES

This bill includes \$1,553,465,000 for health resources and services programs. This is \$63,719,000 more than the comparable amount available for these activities in fiscal year 1989 and \$201,822,000 more than was requested in the President's budget. The amount provided in this account includes funds for activities related to Acquired Immune Deficiency Syndrome (AIDS).

Health Resources and Services Administration (HRSA) programs range from direct health care for underserved populations to training of health professionals to support of research regarding the quality of rural health care.

The amount recommended by the Committee for each of the programs and activities funded by this appropriation is shown on the following table, together with the budget request and comparable appropriations for fiscal year 1989:

## HEALTH RESOURCES AND SERVICES

	Fiscal year 1989 comparable	Fiscal year 1990 budget request	Bush revisions	Revised budget request	Committee bill
Health Care Delivery and Assistance:					
Community health centers.....	414,812,000	414,812,000		414,812,000	414,812,000
Migrant health.....	45,646,000	45,646,000		45,646,000	47,500,000
Infant mortality initiatives.....	20,550,000	32,000,000		32,000,000	32,000,000
Black lung clinics.....	3,216,000	3,216,000		3,216,000	3,350,000
Health care for the homeless.....	14,820,000	14,820,000	48,780,000	63,600,000	46,000,000
National Health Service Corps:					
Field placements.....	39,866,000	20,000,000		20,000,000	40,000,000
Recruitment, loan repayments including nurses.....	7,906,000	7,906,000		7,906,000	4,000,000
Scholarships.....					4,000,000
Subtotal, Natl. Health Service Corps.....					
	47,772,000	27,906,000		27,906,000	48,000,000
Hansen's Disease services (Carville).....	18,276,000	18,493,000		18,493,000	18,493,000
Pediatric emergency care.....	2,964,000				
Payment to Hawaii, treatment of Hansen's Disease.....	3,260,000	2,760,000		2,760,000	3,260,000
Rural health research.....	1,482,000	3,100,000		3,100,000	3,350,000
Home health demonstration grants.....	2,470,000				
Total, Health Care Delivery and Assistance.....					
	575,268,000	562,753,000	48,780,000	611,533,000	616,765,000
Health professions:					
Exceptional need scholarships.....	6,578,000		6,578,000	6,578,000	6,900,000
Excellence in minority health education grants.....	9,396,000		9,396,000	9,396,000	9,396,000
Public health/health administration:					
Public Health capitation.....	4,698,000				3,000,000
Public Health special projects.....					1,700,000
Health Administration grants.....	1,410,000				1,410,000
Public Health traineeships.....	2,819,000				2,819,000
Health Administration traineeships.....	470,000				470,000
Preventive medicine residencies.....	1,503,000				1,550,000
Family Medicine.....	32,142,000				33,500,000
General dentistry residencies.....	2,606,000				4,000,000
General Internal Medicine and Pediatrics.....	17,383,000				18,100,000
Family medicine departments.....	6,578,000				6,900,000
Physician assistants.....	4,511,000				4,650,000
Area health education centers.....	16,912,000				17,900,000
Border health education centers.....					4,000,000
Health professions data analysis.....	2,679,000				1,879,000
Disadvantaged Assistance.....	26,897,000		26,897,000	26,897,000	28,000,000
Special Projects (sections 788 and 301):					
Health professions special initiatives.....	2,349,000				2,500,000
Geriatric training and research.....	13,772,000				14,300,000
Pacific Basin activities (including Medical officer training).....	1,482,000				
Subtotal, special education initiatives.....					
	17,603,000				16,800,000
Special grants to hospitals.....	1,360,000				
Nurse training:					
Advanced nurse training.....	17,175,000				13,000,000
Nurse practitioner.....	11,777,000				12,200,000

## HEALTH RESOURCES AND SERVICES—Continued

	Fiscal year 1989 comparable	Fiscal year 1990 budget request			Committee bill
		January budget request	Bush revisions	Revised budget request	
Special projects (includes sec. 820(d)(2)) .....	11,972,000				12,400,000
Traineeships .....	12,759,000				13,200,000
Nurse Anesthetists .....	784,000				800,000
Faculty fellowships .....	1,080,000				
Undergraduate scholarships .....					4,000,000
Subtotal, Nurse training .....	55,547,000				55,600,000
Less transfers from loan revolving funds .....	-9,880,000				-10,000,000
Total, Health professions .....	201,212,000		42,871,000	42,871,000	208,574,000
MCH and Resources Development:					
Maternal & child health block grant .....	554,268,000	554,268,000		554,268,000	557,000,000
Organ transplantation .....	4,940,000	1,600,000		1,600,000	3,000,000
Health teaching facilities interest sub- sidies .....	494,000	494,000		494,000	494,000
Total, Resources Development .....	559,702,000	556,362,000		556,362,000	560,494,000
Buildings and facilities .....	889,000				889,000
National practitioner data bank .....	2,766,000				2,000,000
Program management including AIDS, HRSA .....	92,738,000	88,193,000		88,193,000	99,750,000
Acquired Immune Deficiency Syndrome (AIDS):					
Training of health personnel .....	14,640,000	14,820,000		14,820,000	14,820,000
Facilities renovation grants .....	3,903,000	3,952,000		3,952,000	4,300,000
Pediatric health care demonstrations .....	7,806,000	7,904,000		7,904,000	15,000,000
Adult health care demonstrations .....	14,692,000	14,875,000		14,875,000	20,000,000
Adult health care planning grants .....	3,904,000	3,952,000		3,952,000	3,952,000
AZT State grants (reprogramming) .....	15,000,000				
Community health care services .....		10,921,000		10,921,000	10,921,000
Transfer for consolidated administra- tion .....	-2,774,000	-3,740,000		-3,740,000	-4,000,000
Subtotal, AIDS .....	57,171,000	52,684,000		52,684,000	64,993,000
Total, Health resources and serv- ices .....	1,489,746,000	1,259,992,000	91,651,000	1,351,643,000	1,553,465,000

## HEALTH CARE DELIVERY AND ASSISTANCE

*Community health centers*

The Committee includes \$414,812,000 for community health centers, which is the same as both the 1989 level and the Administration request. This program helps support centers which provide primary care services to the medically underserved and unserved in both rural and urban areas. Federal appropriations provide about 50 percent of the operating costs of these centers. During fiscal year 1990, 550 community health centers will serve about 5.35 million persons.

The Committee recognizes that, since 1983, some National Health Service Corps personnel have not been covered by the Federal Tort Claims Act (FTCA) for purposes of damage or malpractice

suits against them. Community health centers and their practitioners must therefore purchase private insurance against such claims. The Department estimated in testimony to the Committee that the cost to the centers of such insurance totals approximately \$52 million per year, an amount which otherwise would support health services for about 500,000 additional people. Federal grants support approximately \$24 million of such insurance coverage.

The Committee is concerned about the cost to the Federal Government of the lack of coverage for community and migrant health centers and their employees receiving funds under section 329 or 330 of the Public Health Service Act. The Committee encourages the Secretary to explore remedies to the problem. Should legislation be enacted to provide FTCA coverage to such entities and employees, the Committee anticipates setting aside sufficient funds within the amounts provided for community and migrant health centers to cover the estimated \$4 million annual cost of paying claims against such entities or employees under the FTCA.

#### *Migrant health*

The Committee has provided \$47,500,000 for migrant health centers, which is \$1,854,000 above both the 1989 appropriation and the Administration request. The program helps support the provision of primary health care services to migrants and seasonal farmworkers and their families. In fiscal year 1990, 122 migrant health centers will serve approximately 500,000 persons.

#### *Infant mortality initiative*

The bill includes \$32,000,000 to continue the infant mortality initiative begun in fiscal year 1988. This is the same amount as the President's budget and an increase of \$11,450,000 over the 1989 level. The initiative provides separate grants to existing community and migrant health centers to enhance care systems which improve access for high-risk, low-income pregnant women and children. Case management and care coordination are emphasized.

#### *Black lung clinics*

The bill includes \$3,350,000 for black lung clinics. This is \$134,000 above both the amount requested in the President's budget and the 1989 appropriation. This program assists in the establishment and operation of clinics which provide treatment of respiratory and pulmonary impairments in coal miners. In 1990 approximately 47,500 victims of black lung disease are expected to be treated at 58 clinics.

#### *Health care for the homeless*

The Committee provides \$46,000,000 for health care for the homeless, which is \$31,180,000 above the 1989 appropriation and \$17,600,000 below the Administration request. The program provides project grants to local public and private non-profit entities for the delivery of primary health care services, alcohol and substance abuse services, and mental health services to homeless populations.

### *National Health Service Corps*

The bill includes \$48,000,000 for various activities of the National Health Service Corps (NHSC). This is an increase of \$20,094,000 over the President's request and an increase of \$228,000 over the comparable appropriation for fiscal year 1989. The purpose of the National Health Service Corps program is to provide health manpower resources to areas, populations and facilities which find it difficult to recruit health care providers.

The amount recommended includes \$40,000,000 for the support of National Health Service Corps personnel in the field. These funds pay salary and related costs of Federal assignees and more limited assistance to Corps members under the private practice systems. In addition to the field program, the bill also includes \$8,000,000 for Corps recruitment activities, which includes \$4,000,000 for the scholarship program and \$4,000,000 for the loan repayment program. The administration requested no funding for scholarships. The scholarship program provides tuition, fees and stipend support to students to complete their professional education. One year of service obligation in health manpower shortage areas is required for each year of scholarship support. The Committee intends the funds provided for scholarships to support the multi-year costs of the scholarships awarded in 1990. The Committee also intends to provide the Department with the flexibility to shift funds between the loan repayment and scholarship programs, depending upon the demand for each.

The loan repayment program allows the repayment of health professions educational loans in return for obligated service in shortage areas or to populations which have historically experienced difficulty in attracting and retaining health professionals.

Despite a rather slow program startup, the Committee believes that the loan repayment program remains an important mechanism to identify and recruit health professionals for placement in shortage areas. Loan repayments allow maximum flexibility to target recruitment efforts toward specific disciplines to meet identified national needs.

The Committee recognizes the need to continue programs to reduce the shortage of nurses in underserved rural and other areas, as well as facilities. For that reason, the Committee has expanded the use of funds set aside for nurses who agree to serve in the National Health Service Corps to include both loan repayment, as in the 1989 bill, and scholarships. The Corps is directed to promote the availability of the programs, and to consider payment mechanisms that may combine loan repayment and scholarships. The Committee intends that \$3 million of the \$8 million provided for loan repayment and scholarships be targeted to nurses, and intends that any unused funds from fiscal year 1989 be applied to recruiting other health manpower professionals who are needed in rural areas.

The Committee rejects the Administration proposal to shift responsibility for administering the loan repayment program to the States. Experience to date indicates that States would have difficulty operating the program.

The Committee requests a report prior to hearings on the fiscal year 1991 budget regarding the long-term personnel needs of the National Health Service Corps and methods of recruitment of these personnel.

#### *Hansen's Disease services*

The bill includes \$18,493,000 to support the operation of the Gillis W. Long National Hansen's Disease Center in Carville, Louisiana. This is the same as the amount requested in the budget and \$217,000 above the amount provided in fiscal year 1989. The Gillis W. Long Center has been operated since the turn of the century as a treatment center for persons with Hansen's Disease (leprosy). It is recognized as an international research and training center for the diagnosis, care and treatment of Hansen's Disease and related medical problems. In 1990, the facility is expected to have an average inpatient census of 195 patients and, through its contract care locations around the country, serve an additional 5,000 individuals on an outpatient basis. The Committee is supportive of efforts within the Public Health Service to review the mission of the Long Center and expects the Department to submit its report on future directions in the near future.

#### *Pediatric emergency care*

The Committee has not provided additional funding for emergency medical services for children for fiscal year 1990. The Administration did not request funding for this program; \$2,964,000 was appropriated in 1989. Since 1985, \$10.9 million has been provided to support demonstration projects for the effective delivery of emergency medical services to acutely ill and seriously injured children. Such projects can continue to be funded under the maternal and child health block grant set-aside.

#### *Payment to Hawaii*

The bill includes \$3,260,000 to partially support the cost of the care and treatment of persons with Hansen's Disease in the State of Hawaii. This is \$500,000 above the amount requested by the President and the same as the 1989 appropriation. In 1990, the Federal payment will represent about 80 percent of the total cost of this program.

#### *Rural health research*

The Committee has included \$3,350,000 for the Office of Rural Health Policy, which is \$250,000 above the Administration request and \$1,868,000 above the 1989 appropriation. The Office of Rural Health Policy serves as the Department's focal point for coordinating national efforts to strengthen and improve the delivery of health services to populations in rural areas. The funds provided will support five ongoing and two new research and outreach centers, as well as the MEDNET interactive communications network, the activities of the Office's advisory committee, and a clearing-house for rural health care information.

The Committee recognizes that the nation needs a more coordinated rural health policy and that the Office of Rural Health Policy has not had the resources to expand programs in this area.



For that reason, the Committee has increased the President's budget request by \$250,000 so that the Office can establish a new program of agricultural health and safety. The Office would act as coordinator and clearinghouse, and stimulate programs supported by the Department and other agencies, including the USDA Cooperative Extension Service, to improve training, education and surveillance in order to reduce the disproportionate incidence of farmer and farmworker injuries, disease and fatalities.

The Committee also directs the Office of Rural Health Policy to establish and maintain an active liaison with the Health Care Financing Administration in order to better coordinate rural health with Medicare and Medicaid policies.

#### *Home health demonstration grants*

No funds have been included for home health demonstration grants, nor were any requested by the Administration. The 1989 appropriation was \$2,470,000. The Committee believes that the home health industry is now well established and expanding rapidly. No further demonstrations or developmental assistance appears necessary at this time.

#### *Federal Employee Occupational Health*

The Committee remains concerned that the Public Health Service in its efforts to restructure its Federally staffed occupational health program as a contract operation should protect the rights of the career employees who staff these units. The Committee is not convinced that the plan to reassign nurses in the Washington, D.C. area designating them as resource nurses will prove cost-effective. The Committee intends to maintain oversight of this program to be certain that neither the rights of the full-time health unit staff nor the quality of health care available at the Federal workplace suffers. The Committee encourages the Public Health Service to provide at least one full-time Federal/career employee at each health unit. The Committee requests a report on the status of the program and the extent and cost of contract services.

### HEALTH PROFESSIONS

#### *Exceptional need scholarships*

The Committee includes \$6,900,000 for the Exceptional Financial Need Scholarship Program, which is \$322,000 above both the 1989 appropriation and the Administration request. This program assists persons with limited resources to enter a health professions school by providing comprehensive scholarship support for postbaccalaureate studies. Priority is given to medical, osteopathy, and dentistry schools.

#### *Excellence in minority health education grants*

The Committee has included \$9,396,000 for the Excellence in Minority Health Education Centers program, which is the same level provided in 1989 and requested by the Administration. The excellence in minority health education program is designed to strengthen the national capacity to educate minority students in the health professions by offering special support to those institutions which

have trained a significant number of America's minority health professionals. Funds are used for recruitment and academic support of students, curricula and faculty development, and institutional planning and improvement.

#### *Public health capitation*

The Committee provides \$3,000,000 for this program, which is \$1,698,000 below the 1989 appropriation and the same as the 1990 authorization level. The Administration did not request funding. Public health capitation grants provide financial support to 24 schools of public health to help them meet the costs of their educational programs. 1990 is the last year for which these grants are authorized.

#### *Public health special projects*

The Committee provides \$1,700,000 for the newly authorized special projects program. No funds were requested by the Administration. Grants will be made to schools of public health for projects for preventive medicine, for health promotion and disease prevention, for increasing the enrollment of individuals from disadvantaged backgrounds, and for improving access and quality in health care.

#### *Health administration grants*

The Committee recommends \$1,410,000 for graduate programs in health administration for fiscal year 1990. This amount is the same as the 1989 appropriation, and \$1,410,000 above the Administration request. This program provides grants to public or nonprofit private educational entities, excluding schools of public health, to support the expansion and improvement of graduate programs in health administration, hospital administration and health planning.

#### *Public health traineeships*

The Committee provides \$2,819,000 for public health traineeships, which is the same as the 1989 appropriation. The Administration did not request funding for this program. It provides grants to schools of public health for graduate student traineeships in high priority public health fields such as biostatistics, epidemiology, nutrition, environmental health, occupational health, and maternal and child health.

#### *Health administration traineeships*

The Committee includes \$470,000 for health administration traineeships in 1990, which is the same as the 1989 appropriation and \$470,000 above the Administration request. Grants are awarded to public or nonprofit educational institutions, excluding schools of public health, to support traineeships for graduate study in health administration, hospital administration or health policy analysis and planning.

#### *Preventive medicine residencies*

The Committee provides \$1,550,000 for preventive medicine residencies for fiscal year 1990, which is \$47,000 above the 1989 appropriation and \$1,550,000 above the Administration request. The pro-

gram provides grants to schools of medicine, osteopathy, and public health to support physician residency training programs in preventive medicine. It also provides financial assistance to residents who plan to specialize in preventive medicine.

#### *Family medicine*

The Committee recommends \$33,500,000 for family medicine in 1990, which is \$1,358,000 above the 1989 appropriation. The Administration did not request funding for this program. It provides grants to hospitals and medical schools to support predoctoral, internship, faculty development, and residency programs in family medicine. The program also provides financial assistance to students who plan to practice family medicine.

#### *General dentistry residencies*

The Committee provides \$4,000,000 for general dentistry residencies, which is \$1,394,000 above the 1989 appropriation and \$4,000,000 above the President's request. The program provides grants to dental schools to support the costs of residency programs. The Committee encourages the Department to establish a new priority for residency programs which increase the recruitment and retention of dentists in rural and underserved areas and make practice in these areas a more attractive career choice.

#### *General internal medicine and pediatrics*

The Committee recommends \$18,100,000 for the general internal medicine and pediatrics program, which is \$717,000 above the 1989 appropriation. The Administration did not request any funding. This program provides grants to hospitals and medical schools to support residencies in internal medicine and pediatrics.

#### *Family medicine departments*

The Committee provides \$6,900,000 for family medicine departments, which is \$322,000 above the 1989 appropriation and \$6,900,000 above the Administration request. The program provides grants to medical schools to establish and maintain academic and administrative units to provide clinical instruction in family medicine.

#### *Physician assistants*

The Committee includes \$4,650,000 for the physician assistants program in 1990. This is \$139,000 above the 1989 level and \$4,650,000 above the President's request. The program provides grants to schools of medicine and osteopathy and other public or nonprofit entities for the development and support of physician assistant training programs.

#### *Area health education centers*

The Committee recommends \$17,900,000 for area health education centers (AHECs), which is \$988,000 above the 1989 appropriation. The Administration did not request any funding. AHECs are intended to attract and retain primary care professionals in shortage areas by linking academic health sciences centers to clinical practice in underserved areas. Funds are awarded to medical and

osteopathic schools. The funds provided will permit the establishment of at least one new AHEC.

#### *Border health education centers*

The Committee provides \$4,000,000 for the new border health education centers program. The Administration did not request any funding for this purpose. The program, as authorized in P.L. 100-607, will fund contracts with schools of medicine and osteopathy to create health education and training centers that will improve the supply and quality of personnel providing health services along the border between the United States and Mexico. The Committee has included bill language clarifying that the entire amount provided is intended to support health education and training centers in border areas rather than in other rural and urban locations.

#### *Health professions data analysis*

The Committee has included \$1,879,000 for health professions data analysis in 1990. This is \$800,000 below the 1989 appropriation, which included a one-time appropriation for a rural health manpower study, and \$1,879,000 above the Administration request. This program supports the collection and analysis of data on the health professions and the identification of health manpower shortage areas.

#### *Disadvantaged assistance*

The Committee provides \$28,000,000 for the disadvantaged assistance program in 1990. This is \$1,103,000 above both the 1989 appropriation and the Administration request. Grants are provided to public and nonprofit private health or education entities to support recruitment, retention and placement of minority students and others who are financially disadvantaged. A portion of these funds are used for student stipends. The Committee is concerned that few minority institutions are among the recipients of the Health Careers Opportunities Program. The Committee encourages the agency to initiate a special effort to work with minority institutions in preparing their Health Careers Opportunities award application.

#### *Health professions special education initiatives*

The Committee recommends \$2,500,000 for this program in 1990, which is \$151,000 above the 1989 level and \$2,500,000 above the President's request. This program supports grants to schools of medicine or osteopathy that provide the first or last two years of medical education. The program also makes grants to health professions institutions for model projects in areas such as faculty and curriculum development. In addition, it supports projects at hospitals and podiatry schools for residency training in primary care. By law, 20 percent of the appropriation is reserved for two-year schools, and 25 percent is reserved for the podiatric residency program.

#### *Geriatric training and research*

The Committee has included \$14,300,000 for geriatric training programs in 1990, which is \$528,000 above the 1989 appropriation.

The Administration did not request funding for this program. It supports grants to health professions schools to establish geriatric education centers to provide pre- and in-service training in geriatrics, as well as grants to medical schools and hospitals for geriatric training projects for physicians and dentists.

#### *Pacific Basin activities*

The Committee does not recommend additional funding for Pacific Basin activities in 1990; none was requested by the Administration. \$1,482,000 was provided in 1989, and a total of \$5,308,000 has been appropriated for these purposes in the last three years. These funds have been used for projects to build capacity in Pacific Basin health systems and to provide technical assistance. The projects were not intended to provide ongoing services.

#### *Special grants to hospitals*

The Committee does not provide funding for special grants to hospitals in 1990. \$1,360,000 was provided in 1989. P.L. 100-607, which was passed after 1989 appropriations action was completed, mandated a pro-rata reduction across all health professions training funding to provide grants to four hospitals in Illinois, Alabama, and South Carolina. The Committee has included a limitation in bill language so that the pro-rata reduction will not be triggered in 1990.

#### *Other concerns*

The Committee has historically encouraged support for innovative projects that address the special needs of disadvantaged students. Accordingly, the Secretary is urged to make available, from any available sources, funds to support the efforts of community-based organizations working in partnership with local schools, universities and businesses, to operate programs which assist disadvantaged youths in preparing for, among other things, technical and professional health careers. Partnerships should include in-kind contributions from schools, universities and businesses, and involve health professionals serving as preceptors and counselors.

#### *Advanced nurse training*

The Committee provides \$13,000,000 for advanced nurse training in 1990, which is \$4,175,000 below the 1989 appropriation and \$13,000,000 above the Administration request. \$13,000,000 is the maximum amount authorized for the program in 1990. This program provides institutional support to nursing schools to strengthen and expand graduate nurse training at the masters or doctoral level leading to the development of clinical nurse specialists, teachers, administrators, and supervisors.

#### *Nurse practitioners*

The Committee has included \$12,200,000 for nurse practitioners, which is \$423,000 above the 1989 level. The Administration did not request funding for this program, which provides grants to public or nonprofit hospitals to plan, develop and operate programs to train nurse practitioners in primary health care.

### *Special projects*

The Committee recommends \$12,400,000 for special projects for 1990, which is \$428,000 above the 1989 appropriation and \$12,400,000 above the Administration request. This program provides grants to nursing schools and other institutions to develop innovative nursing methods, to increase nursing educational opportunities for disadvantaged individuals, and to upgrade the skills of paraprofessional nursing personnel.

### *Traineeships*

The Committee has provided \$13,200,000 for nurse traineeships in 1990, which is \$441,000 above the 1989 appropriation and \$13,200,000 above the Administration request. The nurse traineeships program provides individual support to professional nurses receiving advanced educational preparation for administrative or supervisory positions or to serve in other professional nurse specialties.

### *Nurse anesthetists*

The Committee includes \$800,000 for nurse anesthetists in 1990, which is \$16,000 above the 1989 funding level. The Administration did not request an appropriation. This program funds grants to public or private nonprofit institutions to support the costs of traineeships for the training of licensed, registered nurses to be nurse anesthetists.

### *Faculty fellowships*

The Committee does not provide funding for nurse faculty fellowships for 1990, which received \$1,080,000 in 1989. The Administration did not request funding. This program supports advanced training of faculty who already hold a baccalaureate degree and are currently teaching in schools of nursing. The Committee understands that this program has had difficulty attracting an adequate number of high quality applicants.

### *Undergraduate scholarships*

The Committee provides \$4,000,000 for the newly authorized undergraduate nurse scholarship program for 1990. No funds were requested by the Administration. This program, authorized in P.L. 100-607, provides grants to nursing schools to provide scholarships to financially needy students. In return for the scholarship, recipients must agree to serve at least two years in facilities such as community health centers, rural health clinics or public hospitals. The funding level provided will permit orderly startup of the undergraduate scholarship program in 1990 and will allow the agency to test the attractiveness of this financing option for nursing students.

### *Loan revolving funds*

The Committee has modified language proposed in the President's request which makes excess balances in the health professions and nursing loan revolving funds available for other programs of the agency. These balances appear to be substantially

above current requirements and the Committee intends that \$10,000,000 of these funds be made available to offset costs in other health professions training programs.

#### MATERNAL AND CHILD HEALTH AND RESOURCES DEVELOPMENT

##### *Maternal and child health (MCH) block grant*

The bill includes \$557,000,000 for the Maternal and Child Health Block Grant. This is \$2,732,000 above both the amount appropriated in fiscal year 1989 and the amount requested by the President. This block grant was created in 1981 to consolidate Federal programs for high risk mothers and infants and crippled children. The authorizing statute provides that 85 percent of the funds be distributed to the States, while 15 percent of the funds are to be set aside by the Secretary for special projects of regional and national significance (SPRANS). The Committee intends that the full 15 percent be expended for these activities.

The Committee continues to be pleased with the highly successful results achieved through the Hemophilia Treatment Centers Program, which has played a significant role in reducing costly hospitalization of persons with hemophilia and assisting them in their desire to lead full and productive lives in their communities. Therefore, the Committee was displeased to learn that the agency did not increase funding for the hemophilia treatment centers as specified in both the House and Conference Reports accompanying the fiscal year 1989 bill. While substantial gains have been realized, the Committee is concerned that, due to limited resources available to the Centers, the program has been able to provide comprehensive services to only half of the hemophilia population, with the rest only having available fragmented services and lacking access to state-of-the-art treatment, as well as risk reduction and counseling support. And, as the Committee noted last year, this situation has been aggravated by the increasing impact of AIDS. Thus, within the amount available for the MCH setaside, the Committee has provided an \$800,000 increase over the budget request for the Hemophilia Treatment Centers Program. The Committee fully expects these funds to be utilized as intended.

The Committee expects the Department to continue to fund genetic screening projects within the MCH setaside, provided that the program is reauthorized by the start of the fiscal year.

##### *Organ transplantation*

The Committee includes \$3,000,000 for HRSA organ transplantation activities in 1990, which is \$1,940,000 below the 1989 appropriation and \$1,400,000 above the Administration request. The Committee recommendation includes \$1,500,000 for the scientific registry of organ transplant recipients, in order to provide data on organ transplant outcomes, and \$1,500,000 for the National Organ Procurement and Transplantation Network, which matches organ donors with potential recipients.

##### *Health teaching facilities interest subsidies*

The Committee provides \$494,000 for facilities interest subsidies, which is the same as both the Administration request and the 1989

appropriation. This program continues support of interest subsidy payments for construction of three health professions teaching facilities. The Federal commitment on these loans will continue until the year 2004.

#### BUILDINGS AND FACILITIES

The Committee provides \$889,000 for buildings and facilities for 1990, which is the same as the 1989 appropriation and \$889,000 higher than the Administration request. These funds finance the correction of life safety code deficiencies and the renovation and modernization of buildings at the Gillis W. Long Hansen's Disease Center at Carville, Louisiana. The Committee does not intend that such expenses be supported from the Hansen's Disease Center appropriation. The Committee recognizes that buildings and facilities funding needs may change depending on the conclusions of the Department's report on the long-range mission of the Long Center.

#### NATIONAL PRACTITIONER DATA BANK

The Committee provides \$2,000,000 for the national practitioner data bank for fiscal year 1990, which is \$766,000 below the 1989 appropriation and \$2,000,000 above the Administration request. The Secretary of HHS, as directed by law, has issued a contract for the establishment of a national data bank for the receipt, storage and dissemination of information on paid medical malpractice judgments and settlements, sanctions taken by professional societies, and certain professional review actions.

The Administration did not request further funding for the data bank under the assumptions that the system would be sufficiently operational in 1990 to collect user fees and that the authorizing law would be changed to allow the fee charged to cover the full cost of the data bank. The Committee has provided 1990 funding because it believes the system is unlikely to be operational by the start of fiscal year 1990 and because it has not adopted the proposed bill language changing the underlying statute relating to user fees.

#### PROGRAM MANAGEMENT

The bill includes \$99,750,000 for the cost of Federal staff and related activities to coordinate, direct and manage the functions and programs of the Health Resources and Services Administration. This amount is \$11,557,000 more than requested by the President and \$7,012,000 more than the amount provided for fiscal year 1989. The funding added by the Committee over the President's request restores the resources to manage those programs which the President's budget proposed to eliminate or severely reduce. Funds provided are intended to support 1,706 full-time equivalents. Funds are also included to administer the Vaccine Injury Compensation program. \$4,000,000 in administrative funding has been transferred from HRSA AIDS funding to this line item so that HRSA administrative expenses will be consolidated. Prior to the 1991 appropriations hearings, the Committee requests an accounting of the funding allocated to Federal administrative expenses from all the line items within the HRSA account for fiscal year 1989.



### *Acquired Immune Deficiency Syndrome*

The bill includes \$64,993,000 for programs related to Acquired Immune Deficiency Syndrome. This is \$12,309,000 more than the amount requested in the President's budget and an increase of \$7,822,000 over the comparable appropriation for fiscal year 1989. These activities include health service demonstrations in areas with high concentrations of AIDS patients, as well as planning grants for areas which currently have low incidence rates, special initiatives to train health care workers, project grants for the renovation or construction of health care facilities, pediatric AIDS health care demonstrations, and special AIDS grants to community health centers.

The Committee has increased funding above the President's request for adult health care demonstrations to provide adequate funding for the large number of grantees, including the four original recipient organizations, who will be competing for funding in 1990. The Committee has also increased funding above the President's request for the pediatric health care demonstrations in recognition of the expanding number of infants born HIV-positive. The Committee expects the Department to coordinate the pediatric AIDS demonstrations with the boarder babies projects funded elsewhere in the bill. Due to significant unmet needs nationwide, the Committee increases funding for facilities renovation grants.

AIDS training efforts should include special priority for pediatricians and should also include dentists. Training centers should be operated under existing section 301 authority of the Public Health Service Act, as well as title VII. With the addition of new training centers in 1989, the Committee understands that additional resources may be required and could be effectively utilized. The Committee encourages the Department to use any available funds to supplement funding for the training centers in 1990.

### **MEDICAL FACILITIES GUARANTEE AND LOAN FUND**

The Committee provides \$21,000,000 for the Medical Facilities Guarantee and Loan Fund, which is \$4,364,000 less than the budget request and \$600,000 below the amount appropriated in 1989. Appropriations are used to pay interest subsidies on loans guaranteed prior to fiscal year 1977 for hospital modernization, construction, and conversion. Funds are also used to make payments of principal and interest on defaulted loans. The bill also includes language, as in prior years, which prohibits commitments for new loans or loan guarantees in fiscal year 1990. The Committee, however, rejects proposed bill language and the request for \$4,364,000 which would permit the Administration to sell this portfolio of loans at a discount.

### **HEALTH PROFESSIONS GRADUATE STUDENT LOAN FUND (HEAL)**

The Committee provides \$25,000,000 for the Health Professions Graduate Student Loan Fund, which is \$18,430,000 more than the Administration request. This is the first year in which the Fund will receive an appropriation. The HEAL program insures loans provided by non-Federal lenders to students in health professions

schools. Principal and interest repayments are guaranteed by the Federal Government. The maximum allowable interest rate is the rate for 91-day Treasury bills, plus 3 percent. In addition, students are charged an insurance premium of 8 percent of the loan principal. The premiums support the Student Loan Insurance Fund, which was designed to cover the costs of loan defaults.

Because of the high rate of defaults in the program, the Student Loan Insurance Fund does not have adequate funding to pay lender claims. The Administration proposes to support the Fund with \$15,000,000 returned to the Health Professions/Nursing Student Loan program and with increased insurance premiums resulting from proposed legislation. The Committee rejects both these funding mechanisms, choosing to use returned loan funds for Health Professions training and declining to accept proposed bill language making extensive changes to the HEAL authorizing statute. Instead, the Committee provides \$25,000,000 in budget authority for this mandatory account. Sufficient carryover obligational authority is available for the loan commitments expected to be made in 1990.

The Committee has been frustrated by the lack of reliable data regarding the Insurance Fund's appropriation needs in 1990. The Committee requests a semi-annual report, with the first report due prior to the start of the fiscal year 1991 budget hearings, on the status of the Insurance Fund and projected appropriations needs under current law for the next five years.

#### VACCINE INJURY COMPENSATION

The Committee makes available the release of \$54,600,000 from the Vaccine Injury Compensation Trust Fund in 1990, which is \$78,500,000 less than the Administration request and \$46,900,000 less than the trust fund monies made available in 1989. The bill also provides \$74,500,000 in general funds, which was not requested by the Administration. No general funds were appropriated for this purpose in 1989. The National Vaccine Injury Compensation Program provides a system of compensation for individuals with vaccine-associated injuries or deaths. These compensation awards are to reimburse for medical expenses, lost earnings, pain and suffering, legal expenses and a death benefit. The program is funded through a per-dose excise tax on the sale of selected prescribed vaccines. Revenues raised by this tax are maintained in a Vaccine Injury Compensation Trust Fund. Receipts generated by the excise tax are estimated to be \$92.1 million in fiscal year 1989 and \$99.0 million in fiscal year 1990.

Trust funds made available in the bill will support the liability costs of vaccines administered after September 30, 1988. The general funds provided will support costs for vaccines administered prior to fiscal year 1989. General funds are also intended to reimburse the trust fund for any payments of pre-fiscal year 1989 claims made prior to the current fiscal year. The Committee has rejected the Administration's proposed bill language which would modify the authorizing law to permit the administrative expenses of the Public Health Service and the U.S. Claims Court to be drawn from the Trust Fund. Instead, Public Health Service administrative costs

will be supported through the Health Resources and Services Administration program management account.

## CENTERS FOR DISEASE CONTROL

### DISEASE CONTROL, RESEARCH AND TRAINING

The bill includes \$1,080,180,000, an increase of \$6,831,000 over the budget request, and \$102,959,000 over the comparable 1989 appropriation. The mission of the Centers for Disease Control is to assist State and local health authorities and other health-related organizations in stemming the spread of communicable diseases, protecting against other diseases or conditions amenable to reductions, providing protection from certain environmental hazards, and improving occupational safety and health. In addition, the Centers for Disease Control is responsible for the licensure of clinical laboratories engaged in interstate commerce, for conducting foreign quarantine activities aimed at preventing the introduction of disease into our Nation, and for the development of scientific criteria for occupational health standards. The amount included in the bill includes funds for activities related to Acquired Immune Deficiency Syndrome (AIDS). The President's budget included these funds in a consolidated AIDS account under the Office of the Assistant Secretary for Health which has not been approved by the Committee. The amounts recommended by the Committee for each of the programs and activities funded by this appropriation, together with the budget request and the appropriation for fiscal year 1989, are shown in the table below:

### CENTERS FOR DISEASE CONTROL

	Fiscal year 1989 comparable	Fiscal year 1990 budget request	Committee recommendation
Preventive Health Services Block Grant .....	\$84,704,000	\$113,055,000	\$89,716,000
Prevention centers .....	1,976,000		2,000,000
Lead poisoning prevention .....			2,000,000
Sexually transmitted diseases:			
Grants .....	68,172,000	68,172,000	75,000,000
Direct operations .....	10,528,000	10,800,000	10,800,000
Subtotal, Sexually transmitted diseases .....	78,700,000	78,972,000	85,800,000
Immunization:			
Grants .....	126,797,000	126,797,000	126,797,000
Direct operations .....	8,152,000	8,361,000	8,361,000
Vaccine stockpile .....	3,952,000		
National vaccine program .....	3,063,000	3,063,000	2,569,000
Subtotal, Immunization programs .....	141,964,000	138,221,000	137,727,000
Infectious disease (excluding AIDS/TB) .....	41,455,000	37,866,000	39,866,000
Tuberculosis grants .....	6,622,000		10,000,000
Chronic & environmental disease prevention .....	44,681,000	40,564,000	46,025,000
Injury control .....	21,000,000	11,120,000	21,000,000
Occupational Safety and Health (NIOSH):			
Research .....	60,260,000	60,260,000	63,300,000
Training .....	10,095,000	10,095,000	10,600,000
Subtotal, NIOSH .....	70,355,000	70,355,000	73,900,000

## CENTERS FOR DISEASE CONTROL—Continued

	Fiscal year 1989 comparable	Fiscal year 1990 budget request	Committee recommendation
National Center for Health Statistics:			
Program operations.....	45,186,000	44,533,000	44,533,000
Program support.....	3,165,000	3,254,000	3,254,000
Subtotal, health statistics.....	48,351,000	47,787,000	47,787,000
Epidemic services.....	54,787,000	56,217,000	56,217,000
Buildings and facilities.....	1,976,000	2,000,000	2,000,000
Program management.....	3,058,000	3,170,000	3,170,000
Acquired Immune Deficiency Syndrome (AIDS).....	377,592,000	474,022,000	462,972,000
Total, Disease control.....	977,221,000	1,073,349,000	1,080,180,000

The Committee has provided for a total of 4,576 full-time equivalent staff in 1990, an increase of 80 over the 1989 level. Of this amount, 635 are for AIDS-related activities.

### *Preventive health services block grant*

The Committee recommends \$89,716,000 for the preventive health and health services block grant, a reduction of \$23,339,000 from the amount requested, and an increase of \$5,012,000 above the 1989 amount. This program was created by combining several categorical grant programs, including health incentive grants, risk reduction and health education, rat control, fluoridation, home health, high blood pressure control, and emergency medical services. This block grant provides States with funds for preventive health services to reduce preventable morbidity and mortality and improve quality of life. These grants give the States flexibility in deciding how available funds will be used to meet State priorities in preventive health services.

The Committee has not approved the budget proposal to consolidate four categorical programs into this block grant and increase the appropriation by \$23,339,000. These four programs, tuberculosis grants, prevention centers, injury control grants and diabetes grants, will be maintained separately.

The Committee notes ongoing concerns about the collection and reporting of data regarding the preventive health and health services block grant program and supports CDC's efforts during this year to launch a pilot program in ten States which demonstrates improved reporting. This will allow the CDC to more closely monitor the use of federal funds by the States as well as to review programs and their impact on the various States as to numbers of people reached, types of services provided and the impact on improving health in the population. The Committee urges CDC to expand this pilot program to all States during 1990 and has provided \$2,000,000 for that purpose. This matter was addressed last year in P.L. 100-607.

### *Prevention centers*

The Committee recommends \$2,000,000 to continue funding the centers. The Committee disagrees with the administration that

CDC should phase out the prevention centers. Grants are made with academic health centers for the establishment, maintenance and operation of centers for research and demonstration with respect to health promotion and disease prevention. These centers undertake research and demonstration projects to promote health and disease prevention, improve methods of appraising health hazards and risk factors, and serve as demonstration sites for the use of new and innovative research in public health techniques to prevent chronic diseases.

#### *Lead poisoning prevention*

The bill includes an initial appropriation of \$2,000,000 for CDC to implement a program directed at the elimination of childhood lead poisoning as authorized by the Lead Contamination Act of 1988. There was no budget request. The Committee is distressed that lead continues to be a major environmental hazard to young children. It is estimated that 3-4 million children in the United States have elevated blood lead levels, which in many cases results in mental and intellectual impairment. The Committee is concerned that the effort to prevent lead poisoning in children has been hindered by the discontinuation in 1981 of targeted prevention activities.

#### *Sexually transmitted diseases*

For sexually transmitted diseases, the Committee recommends \$85,800,000, an increase of \$6,828,000 over the budget request and \$7,100,000 over the amount available for 1989. This provides an increase of 10 percent over 1989 for project grants. The incidence of these diseases remains at unacceptably high levels. The Committee has provided \$75,000,000 for grants and \$10,800,000 for CDC's direct operations.

To prevent STD cases and their subsequent complications, a partnership of Federal, State, and local governments, private medicine, and voluntary organizations is necessary. The Centers for Disease Control supports this partnership through direct financial assistance to State, local, and territorial health authorities; national disease surveillance; applied research efforts; and national STD leadership activities. Federal grants support disease monitoring, screening, and sexual partner referral services as well as other outreach effort in all States. National disease surveillance is directed toward defining the extent and trend of the STD problem, and in identifying disease outbreaks that require program attention. Applied research efforts are directed toward further characterizing the pathophysiology, host response, epidemiology and behavioral aspects of these diseases to permit the development of improved diagnostic, prevention, and control methodologies. National leadership activities include: technical assistance in planning, developing, and implementing control programs; technical consultation in reviewing and monitoring control efforts; development of clinical standards and management systems; training; and epidemic assistance in disease outbreak settings.

### *Immunization*

The bill includes \$137,727,000 for the childhood immunization program, the amount of the budget request. These funds support grants to assist States and localities in carrying out immunization programs against measles, mumps, rubella, poliomyelitis, diphtheria, pertussis, tetanus and H influenzae b. The funds include \$126,797,000 for grants, \$8,361,000 for CDC's direct operations, and \$2,569,000 for the National Vaccine Program. The grants amount includes \$18,894,000 for State operations. The Committee has approved the budget request for funds to assist those States who manufacture their own vaccines on which the vaccine excise tax was placed. In light of the severe fiscal constraints under which we are operating, the Committee has reluctantly decided not to provide additional funds at this time for the further buildup of the vaccine stockpile. It is a higher priority to provide adequate funding for the basic program.

The Committee was recently informed by CDC that vaccine price estimates for 1990 have dropped significantly from the estimates in the original budget request. This relates primarily to the H influenzae b vaccine. Instead of reducing the budget request, however, the Committee has redirected funds to two other extremely important priorities. First, \$5,000,000 has been provided to mount a more intensive effort to control the measles outbreaks that have occurred recently in a number of States. Second, the Committee has included \$6,600,000 to initiate a public-sector program to screen pregnant women for hepatitis B virus to prevent perinatal infection. Hepatitis B virus (HBV) infection is one of the major public health problems in the United States. Adjusting for both disease underreporting and for the proportion of hepatitis B infections that are asymptomatic, it is estimated that approximately 300,000 new infections occur annually, causing 75,000 cases of acute hepatitis B and 25,000 persons to become chronically infected with HBV. Between 5000-6000 persons die annually from acute and chronic hepatitis B associated liver disease.

The Committee has appropriated funds for the National Vaccine Program Office in the Office of the Assistant Secretary for Health.

### *Infectious diseases*

For the infectious diseases activity, the bill includes \$39,866,000, an increase of \$2,000,000 over the budget request. Infectious disease prevention, a major component of the CDC disease prevention program, is important to the goal of reducing morbidity and mortality. The CDC's efforts in infectious disease prevention are to develop new or improved prevention and control methods and techniques and to accelerate the general application of accepted prevention technology. The Committee has added \$2,000,000 and 6 FTE specifically for Lyme disease activities, including surveillance, improved diagnostics, and control.

Since its recognition in Connecticut in 1975, Lyme disease has emerged from a regional concern to become a public health problem of national scale. In 1988, more than 5000 cases from 43 States were reported to CDC. The incidence of Lyme disease has increased nearly 5-fold in the last 5 years and the trend toward increasing

incidence probably will continue, as the geographic range and populations of tick vectors increase.

Lyme disease is a potentially serious and debilitating infection that may lead to subacute and chronic complications affecting the peripheral and central nervous system, the heart, skin and joints. Although the illness responds favorably to antibiotic therapy in early stages, relapses are not uncommon and subacute and chronic arthritis and neurologic symptoms may persist for years or decades in some patients. Lyme disease acquired in pregnancy may lead to fetal infection, malformation or fetal or neonatal death.

### *Tuberculosis grants*

The Committee has included \$10,000,000 for the tuberculosis grant program, an increase of \$3,378,000 over the 1989 appropriation. The budget proposed to eliminate the program. Tuberculosis continues to be a major public health problem. In 1988, 22,436 cases were reported to CDC. Recently the Centers for Disease Control announced the release of a strategic plan for the elimination of tuberculosis in the United States that was endorsed by the Secretary in April. The Committee expects that CDC will utilize the various mechanisms available to implement this program and encourage the initiation of the strategic plan. While the Committee has provided additional distinct funding for TB control, the CDC is expected to also utilize other resources to implement the TB elimination plan.

Health departments across the nation are successfully using funds provided through cooperative agreements with CDC to address tuberculosis prevention and control. The funds are being used primarily to employ outreach workers to work in high-incidence areas where they are responsible for field follow-up and for directly observing therapy activities. Every indication the Committee has received from the field and CDC says this program is working well.

### *Chronic and environmental disease prevention*

The bill includes \$46,025,000 for chronic and environmental disease prevention, an increase of \$5,461,000 over the budget request and \$1,344,000 over the 1989 amount. Premature death, illness and injuries caused by exposure to environmental hazards are among the most difficult problems facing Federal, State and local health officials. Chronic disease prevention is based on early detection of disease to avoid complications and on changing risk factors which can help to prevent occurrence and progression of disease.

The Committee has restored the diabetes project grant program which the budget proposed to eliminate (\$4,861,000). This is an effective program that should be continued.

The Committee has also added \$600,000 to provide additional resources for the three-year thyroid health effects study in communities near the Hanford Nuclear Facility in the State of Washington. This concerns releases of Iodine-131 at this facility in the 1940's and 1950's and the possible connection to cancer of the thyroid in the exposed population.

The major chronic diseases are the leading causes of premature death and long-term disability, and exact the heaviest burden in health-related costs in the United States. In 1988, cancer, cardio-

vascular disease, stroke, diabetes, chronic obstructive pulmonary disease, and cirrhosis accounted for 72 percent of all deaths. With the aging of the U.S. population, this burden of unnecessary hospitalization, long-term care, premature death, and the attendant economic costs will increase dramatically. Prevention offers the major opportunity for averting a substantial fraction of this burden. In addition to the enormous burden borne by the population at large, minorities, the economically disadvantaged, and other high risk groups suffer substantially greater premature death and disability from these chronic diseases. Furthermore, the preventive programs currently available have not been reaching these high risk groups effectively. Fortunately, the research investments of the past have yielded the knowledge needed for translation of preventive interventions into public health programs that can reach large numbers of people. Recent studies indicate that nearly one-third of cancer deaths, almost one-half of deaths due to cardiovascular disease, and over one-half of the debilitating complications of diabetes can be prevented through widespread application of this currently available but as yet largely unapplied knowledge.

CDC's newly established Center for Chronic Disease Prevention and Health Promotion assists the States to implement a program to prevent and control chronic diseases, with special attention given to minority and medically underserved populations. At present, 13 states are receiving assistance in establishing chronic disease control programs. The Committee urges CDC to increase funding so that it may expand this program to additional states.

The Committee urges CDC to undertake a pilot project to assess public health issues related to urinary incontinence. The Committee has included funds for this purpose.

The Committee commends the CDC for its work on Chronic Fatigue Syndrome and its commitment to continuing these efforts in 1990. The Committee urges the CDC to expand its CFS surveillance activities and to conduct further research including case studies of patients and investigation of suspected clusters of CFS. The Committee requests that the CDC undertake efforts to train physicians and health workers about CFS and to provide information to the general public in order to increase the general understanding of this syndrome.

The Committee understands that there are new research opportunities to corroborate previous studies on preventing the birth defect, spina bifida, by improving the nutrition of child-bearing women, such as through vitamin supplement therapy. The Committee requests that the National Institutes of Health and the Centers for Disease Control report to the Committee, prior to the hearings on 1991 appropriations, on what new research opportunities might be explored in this area, including clinical trials of populations with high incidence of spina bifida.

### *Injury control*

The Committee has included \$21,000,000 for the injury control program, an increase of \$9,880,000 over the budget request. These funds will continue the implementation of the recommendations contained in the National Academy of Sciences report *Injury in America*. According to the Academy, injury is "the principal public



health problem in America," causing over 140,000 deaths per year. The Academy reported that injuries kill more Americans aged 1 to 34 than all diseases combined and are the leading cause of death up to the age of 44. The Academy also reported that motor vehicle crashes are the leading cause of severe injury and death, accounting for about 30 percent of total injury deaths each year.

The Academy concluded that trauma is not an insoluble problem and that many opportunities exist to better understand and prevent injuries and reduce their effects. In reviewing Federal injury-related research programs, the Academy found serious but remediable inadequacies. The primary deficiency identified was "the lack of a single coordinated focus of activity that would give visibility to this important public health issue and permit an organized program of effective action to address the problems."

To address these problems, the Academy recommended the establishment of a program for injury control within the Centers for Disease Control. The program was established in fiscal year 1986 and has initiated a trauma research program designed to support work in epidemiology, prevention, acute care, biomechanics, and rehabilitation.

CDC's approach to injury control is to conduct and support applied research to determine causes and ways to prevent unintentional injuries. CDC will continue to support Injury Prevention Research Centers in States and will continue to provide technical assistance and conduct applied research in injury prevention and control.

### *Occupational safety and health*

The bill includes \$73,900,000 for the National Institute for Occupational Safety and Health (NIOSH), an increase of \$3,545,000 above the budget request and 1989. The National Institute for Occupational Safety and Health conducts research, develops criteria for occupational safety and health standards, and provides technical services to government, labor and industry, including training in the recognition, avoidance, and prevention of unsafe or unhealthful working conditions and the proper use of adequate safety and health equipment. These various functions are designed to reduce the high economic and social costs of occupational illness and injury through the prevention and control of occupational disease and hazards.

Identifying hazardous substances to which workers are exposed in the workplace produces beneficial health effects by reducing illnesses and deaths through early detection and preventive health care. The Occupational Safety and Health Act and an OSHA standard currently require such identification and notification and training of workers exposed to hazardous materials. However, there presently is no comprehensive program of notifying workers in particularly high-risk occupational settings. Such a notification program would result in more comprehensive and coordinated early detection, medical monitoring and prevention of disease and death.

Recognizing the beneficial health effects of early warning and medical care, the Committee has set aside \$1,000,000 to establish a pilot program of notification of workers in specific high-risk occupational settings, as defined by NIOSH using previously-deter-

mined criteria. It is the Committee's intent that all such notification records shall be confidential and shall not be released to any party other than the worker or his immediate family, without the express consent of the worker or his family.

The Committee recognizes the fact that farm and agriculture-related injuries, disease and fatalities are higher than in other occupations; farming is the second most dangerous occupation in the country. Farmers and their families experience a disproportionate share of injuries and disease, and five times more fatalities a year than those in other occupations (according to the National Safety Council). A national coalition comprised of farm and farm worker interest group representatives, occupational safety and health specialists, and rural health interests, in a December, 1988 report, noted a nationwide lack of services to benefit farms and farm workers, and recommended expanded educational, training, surveillance, and preventive programs.

To address that need, the Committee has set aside \$500,000 for NIOSH to expand programs on agricultural health and safety, including surveillance, training and educational programs. Specifically, the Educational Resource Centers should design and expand curricula for programs directed at improving education and training of farm workers and health personnel in agricultural health and safety in order to reduce the high incidence of farm-related injuries, diseases and fatalities.

The Committee intends that NIOSH use these funds for special project grants in agriculture health and safety programs designed to directly benefit farmers and farm workers. NIOSH is urged to coordinate its agriculture health and safety programs with the U.S.D.A. Cooperative Extension Service in expanding such activities to reduce farm-related injuries and fatalities.

### *Health statistics*

For health statistics the bill includes \$47,787,000, the amount in the budget request and \$564,000 less than the amount available in 1989. The National Center for Health Statistics has responsibility for collection, maintenance, analysis, and dissemination of statistics on health, illness and disability of the U.S. population and its impact on the economy; as well as other vital statistics such as births, deaths, marriages and divorces. In addition to the amount appropriated, the bill makes available an additional \$19,000,000 in 1990 from funds available under the Public Health Service one-percent evaluation set-aside.

The Committee expects the National Center for Health Statistics to continue funding all components of the current vital statistics cooperative program, including marriage and divorce statistics. The Committee believes that it is unwise to discontinue this activity in a national census year.

### *Epidemic services*

The bill includes \$56,217,000, the same as the budget request, for epidemic services. The 1989 amount was \$54,787,000. The epidemic services efforts of the Centers for Disease Control focus primarily on three methods of preventing and controlling diseases. These are disease surveillance and epidemic aid, disease investigation and

studies, and reference diagnostic services. The epidemic services activities are an important part of this Nation's approach to protecting its civilian population from epidemics and from deliberate or accidental misuses of biological agents. These programs are carried out by maintaining surveillance systems, epidemic investigators, and laboratory capability for identifying potential problems.

### *Buildings and facilities*

The bill includes \$2,000,000, the budget request, for buildings and facilities. This is \$24,000 more than the amount appropriated in 1989. This will continue those minor repairs, improvements, and minor renovations which will prevent deterioration of the Center's facilities.

### *Program management*

For program management, the bill includes \$3,170,000, the budget request, and \$112,000 above the amount appropriated in 1989. This activity provides for the overall planning, direction, and administration of the programs and activities of the Centers for Disease Control.

### *Human Immunodeficiency Virus (HIV)*

The Centers for Disease Control provides scientific and technical leadership in our nation's efforts to prevent and control the spread of HIV infection through successful management of a comprehensive HIV prevention program that includes surveillance, epidemiologic and laboratory studies, and prevention through information, education, and risk reduction. The guidelines that are published by CDC are respected and accepted by the health community as standards of public health practice in dealing with AIDS and the epidemic of HIV infection. Support of HIV prevention activities in State and local public health departments began in FY 1985, with the funding of HIV information and education projects. In FY 1986, separate counseling and testing programs were funded. These were all consolidated and titled AIDS Prevention Programs in FY 1987 and included a special initiative for prevention efforts targeting minorities. In FY 1988, the AIDS prevention programs were consolidated into the CDC's AIDS surveillance cooperative agreements. In FY 1989, the CDC began providing funds and technical assistance directly to community-based organizations to supplement HIV prevention efforts, particularly in minority populations.

Four major program areas have developed in the CDC's HIV prevention program: (1) expanded HIV antibody testing and counseling; (2) a comprehensive information/education program to prevent and control HIV; (3) a minority HIV prevention initiative in response to a recognition that minority populations are disproportionately affected by HIV; and (4) a comprehensive HIV serosurveillance program.

The Committee has included \$462,972,000, a decrease of \$11,050,000 from the President's request and \$85,380,000 above the fiscal year 1989 level for the Centers for Disease Control AIDS activities.

The Committee is supportive of CDC's efforts in epidemiology and surveillance. CDC collaborates with health departments, uni-

versities, medical centers, blood banks, voluntary agencies, other federal agencies, and uses its own facilities to carry out epidemiologic and laboratory studies to determine the natural history of HIV infection and to identify and monitor risk factors for HIV transmission. Working primarily with State and selected local health departments, CDC maintains surveillance of AIDS cases. Activities related to the surveillance of HIV-related illness in various populations will continue to expand as well. CDC is funding studies to better define the spectrum of HIV-associated illness in infants and children and to examine the role of HIV infection as a cause of death in intravenous drug abusers. In addition, the CDC is instituting ongoing comprehensive surveillance of HIV infection. As a part of this endeavor, the CDC will be evaluating laboratories across the country who are performing HIV antibody testing. The Committee has included \$128,822,000 for these epidemiology and surveillance activities.

The Committee has deleted \$11,050,000 that was requested for a large-scale national survey of sexual behavior. This does not appear to be an appropriate use of public funds; if such a survey is necessary, it should be supported with non-governmental funds. The Public Health Service is directed not to proceed with this study.

To continue important prevention, information and education activities, the Committee provides \$325,846,000, including \$40,327,000 to provide information about HIV/AIDS to the public; \$40,551,000 to continue and expand the education program for school and college-aged youth; \$119,402,000 to support counseling, testing, and partner notification services; \$31,070,000 for health education/risk reduction activities; and \$4,029,000 for training of health care workers.

Although many minorities will be reached through other program efforts, the Committee thinks it is important to continue to maintain a special minority emphasis because of the extent to which minority populations are disproportionately affected by the AIDS epidemic. Working with national organizations, CDC is attempting to bring national minority leadership to efforts to promote and assist AIDS prevention activities at the community level, to complement the assistance provided to local minority organizations through State and local agencies.

The Committee is pleased with the CDC decision to target minority community-based and national groups in its efforts to contain the spread of the AIDS virus. It has been shown that preventing the spread of HIV infection among minorities through information, education and risk reduction activities can be effectively carried out by those organizations based in or with strong ties to minority communities to which efforts are being targeted. In areas of highest incidence of AIDS among minorities, it is important to enlist local minority organizations into the prevention effort, complementing the activities and services being provided by official health agencies. In this regard, the Committee has provided an additional \$5,000,000 for a total of \$14,515,000 for CDC Minority Emphasis projects with community-based organizations in order to provide assistance to those areas having the highest incidence of AIDS among minority populations. The total in the bill for all HIV minority activities is \$52,240,000.

The Committee expects CDC to continue to maintain close coordination with the Office of Minority Health in carrying out the AIDS program.

The Committee requests that the CDC provide a report to the Committee on the distribution and utilization of prevention funds received by the States, and those organizations receiving funds from the States. The Committee also requests that CDC provide an assessment of HIV intervention techniques and strategies that assure the availability of adequate technical assistance regarding replication of successful materials and programs to new and continuing grantees.

The Committee has provided resources for direct Federal funding of community-based organizations undertaking prevention activities among populations at risk of HIV infection. These organizations are critically important to our nation's prevention effort because they address the specific needs of diverse local populations. Recently-funded programs have focused on absolute incidence. It is the Committee's view that the CDC in making these awards should also take into account other variables like the presence of significant underserved populations, high per capita incidence, and geographic diversity.

Separate funding must be provided to any local health department which serves the largest political jurisdiction in a MSA, when such MSA reported more than 2,000 AIDS cases as of June 30, 1989, and such cases represent at least 75 percent of the AIDS cases reported in that State.

The Committee is aware of the successful collaborative effort between CDC and the American Red Cross in support of nationwide AIDS education programs. The budget request this year again includes funding for this effort to provide programs for a number of diverse groups and topics including youth, minorities, the workplace, and public safety personnel. This is the third year the Committee has recommended up to \$7 million be made available for this effort and the Committee would expect that the full amount be made available to fund these Red Cross activities.

The Committee is advised by CDC that adolescent children pose an extremely difficult challenge to implementation of HIV risk reduction activities within the hemophilia community. Not only do these individuals have all of the adolescent adjustments to face, but they also have a rare and disabling blood disorder which, because of contaminated blood products, has saddled them with HIV infection. Thirty percent of all AIDS cases between ages 6-19 are hemophilia patients; 40% of all male AIDS cases within this age cohort suffer from hemophilia. Further, the Committee is aware that 70 percent of all hemophilia patients are now HIV seropositive with the rate at 90 percent for those with severe hemophilia. In light of these facts, the Committee is providing \$4,000,000 over the current level in order to expand risk reduction activities, in coordination with the national hemophilia organization, including pediatric and adolescent risk reduction, systematic evaluation of prevention approaches, improved counseling techniques to change behavior, and risk reduction outreach models.

The Committee fully agrees with the need for CDC, working closely with both the national hemophilia organization and state

and local health departments, to develop and implement appropriate mechanisms and protections for testing/counseling in the hemophilia community. CDC should report to the Committee at next year's budget hearings on implementation steps for utilizing the national hemophilia treatment network.

### NATIONAL INSTITUTES OF HEALTH

The bill includes \$7,678,625,000 for the 20 appropriations which together fund the programs of the National Institutes of Health. These include appropriations for the 13 research institutes, the Division of Research Resources, the National Center for Nursing Research, the National Center for Human Genome Research, the John E. Fogarty International Center, the National Library of Medicine, the Office of the Director, and Buildings and Facilities.

The total in the bill is \$149,228,000 above the President's budget request for 1990, and \$533,806,000 above the comparable appropriations for fiscal year 1989. These figures are shown in the table below:

	1989 comparable	1990 request	1990 bill
National Cancer Institute.....	\$1,570,943,000	\$1,646,073,000	\$1,652,666,000
National Heart, Lung, and Blood Institute.....	1,045,732,000	1,082,497,000	1,090,930,000
National Institute of Dental Research.....	130,834,000	135,796,000	138,053,000
National Institute of Diabetes, Digestive, and Kidney Diseases.....	559,648,000	582,629,000	590,276,000
National Institute of Neurological Disorders and Stroke.....	472,346,000	493,502,000	495,203,000
National Institute of Allergy and Infectious Diseases.....	742,277,000	842,712,000	845,523,000
National Institute of General Medical Sciences.....	654,664,000	682,249,000	692,639,000
National Institute of Child Health and Human Development.....	425,532,000	444,193,000	448,493,000
National Eye Institute.....	231,292,000	239,474,000	240,636,000
National Institute of Environmental Health Sciences.....	223,695,000	230,848,000	232,479,000
National Institute on Aging.....	222,845,000	230,490,000	241,528,000
National Institute of Arthritis and Musculoskeletal and Skin Diseases.....	160,015,000	168,588,000	171,673,000
National Institute on Deafness and Other Communication Disorders.....	94,833,000	99,902,000	99,952,000
Research Resources.....	358,332,000	307,956,000	356,128,000
National Center for Nursing Research.....	29,132,000	30,969,000	32,969,000
National Center for Human Genome Research.....	27,569,000	100,000,000	62,000,000
John E. Fogarty International Center.....	14,002,000	15,532,000	15,579,000
National Library of Medicine.....	74,413,000	78,729,000	83,311,000
Office of the Director.....	68,223,000	95,658,000	106,987,000
Buildings and facilities.....	38,492,000	21,600,000	81,600,000
Total.....	7,144,819,000	7,529,397,000	7,678,625,000

The primary changes from the President's Budget which are incorporated in the bill include:

Biomedical Research Support Grants.....	+ \$44,385,000
Research Training.....	+ 24,570,000
NIH Buildings and Facilities.....	+ 60,000,000
New Supercomputer.....	+ 34,000,000
National Library of Medicine-Outreach.....	+ 4,230,000
NIH Staffing—175 FTE positions, (AIDS and non-AIDS).....	+ 7,200,000
High priority extramural and intramural research projects.....	+ 31,843,000
Special minority initiatives.....	+ 6,000,000
Human Genome Center.....	- 38,000,000
Director's Contingency Fund.....	- 25,000,000

## NATIONAL CANCER INSTITUTE

The bill includes \$1,652,666,000, an increase of \$6,593,000 over the amount requested and \$81,723,00 over the comparable 1989 appropriation.

*Mission.*—The National Cancer Institute (NCI) conducts and supports basic and applied cancer research, provides research training support and initiates programs designed to translate research results into effective techniques for the early detection, diagnosis, treatment, prevention and control of cancer.

*Basic research.*—The Institute's highest priority is the support of basic research. Basic research discoveries in cancer biology, etiology, and treatment continue to be applied to improve diagnosis and early cancer detection techniques, to improve treatment regimens for a variety of specific cancers, and to obtain valuable information related to the prevention and control of cancer. Basic science studies of rare tumors, such as retinoblastoma which affects about 1,000 children a year in the U.S., often have profound implications for more common tumors, such as lung cancer, breast cancer, or colon cancer, which affect several hundred thousand people per year.

*Cancer progress: Good news and bad news.*—The statistics regarding cancer incidence, survival and mortality are of great concern because of the increasing number of cases and deaths from cancer. Progress is being made in several major cancers, especially for those Americans under the age of 65. Since 1973, a reduction in the annual death rate, the number of deaths from cancer per 100,000 of the population, has occurred in several major cancer types due to a combination of prevention, early detection and treatment. However, the news is not as encouraging for those over the age of 65. The NCI should expand its activities to ascertain the cause(s) of the disparity in cancer rates by age and take steps to correct this problem, where possible.

Disparity in cancer rates between certain minorities and the general population is widening. Part of this growing gap could result from the inability of medically underserved populations to receive the most up-to-date diagnosis and treatment. It is important that the causes of these disparities be defined and that the NCI do whatever it can to reverse this trend. The NCI has new program initiatives such as the Black Leadership Initiative which will assist the education of minority groups relative to their risk of cancer and what they can do to reduce that risk. Six regional coordinators will be appointed by NCI to work with minority communities across the U.S. to effect this initiative. Efforts are also underway to increase minority use of the Cancer Information Service (CIS), a toll free network of cancer information available to the American public. Where possible, support for additional and accelerated activities aimed at improving cancer statistics in minorities and the economically disadvantaged, including the rural poor is encouraged.

*Prevention and control.*—Much of the NCI's prevention research is effected through the Cancer Prevention and Control Program. A major NCI initiative utilized prevention clinical trials and basic research in nutrition to uncover the best means of reducing cancer

risk through dietary modification. This is complemented by an effort to develop a nutrition and cancer research laboratory. Projects are underway to promote cancer prevention awareness, to work with state health agencies in prevention and control, to improve access to state-of-the-art cancer diagnosis and care, and to disseminate breast cancer information, cancer detection guidelines, patient education, and information for minority groups.

*Early detection and diagnosis.*—The investment in basic research in cancer biology has brought about improvements in early detection and diagnosis. It is known that we must treat cancer when it is microscopic, before it spreads. New and sensitive tests can identify tumors and assess the state of cancer development and the risk of metastasis. New tests to identify bladder and lung cancers at early and more treatable stages have been developed. These initiatives are encouraging.

*Treatment research—Clinical trials.*—The NCI-supported scientists have made significant advances in cancer treatment research. These advances have resulted in more effective and tolerable treatments, progress in combining therapies, advances in adjuvant therapy and the development of effective new anti-cancer agents. Many of these efforts are carried out through nationwide clinical trials into which the NCI has been accelerating its patient accrual. The Institute will expand patient accrual into therapy trials conducted by the cooperative groups and the Community Clinical Oncology Program.

The NCI continues to pioneer research on adjuvant therapy, a post-operative treatment to prevent the recurrence of malignancy. Adjuvant clinical trials have produced a prolongation of disease-free survival in breast cancer patients, regardless of whether lymph nodes are involved or are tumor free at time of surgery. Clinical trials for colon and rectal cancer, for childhood malignancies involving muscle, kidney, bone and other sites, and for some forms of lung cancer have produced similar results. New treatments based on blocking the action of tumor growth factors with the compound Suramin have produced responses in prostate cancer patients and hold promise as a treatment for this tumor.

Central to treatment research is the development and marketing of effective anti-cancer drugs and biologics. The NCI maintains a screening system in which approximately five drugs per year are developed. These studies brought several compounds such as flutamide, carboplatin, and ifosfamide/mesna to the Food and Drug Administration (FDA) for approval during the last year. The NCI should continue to work with the FDA and the pharmaceutical industry to develop new drugs quickly. The NCI initiatives in AIDS drug development should continue to receive priority.

Preliminary results of studies of otherwise untreatable cancers such as malignant melanoma, involving adoptive cellular therapy in which the patient's own defense cells are used to kill cancer cells, may provide new effective therapies in the future. In mid-January, the NIH and the FDA approved a proposal by NCI and National Heart, Lung, and Blood investigators to transfer a foreign gene into host defense cells—so called tumor infiltrating lymphocytes (TILs). It may eventually be possible to enhance the clinical value to this adoptive cellular therapeutic approach by selecting



and inserting genes that augment the tumor-killing properties of the host defense cells. The Institute is encouraged to determine whether these approaches can lead to practical new treatments.

*Information dissemination.*—The NCI has developed a comprehensive program of information dissemination activities, as part of the Institute's efforts to reduce cancer mortality. Last year the NCI issued a Clinical Alert to 13,000 practicing physicians and cancer organizations announcing preliminary results from clinical trials on the use of adjuvant therapy in early breast cancer. A follow-up inquiry of physicians who received the Alert revealed that a significant percentage changed their therapeutic practice for the relevant breast cancer patients. Innovative ways of expanding information dissemination should be explored.

Data from the Surveillance, Epidemiology, and End Results (SEER) Program indicate that many cancer patients may not be receiving the most up-to-date treatment for their particular type of cancer. The NCI is committed to continuing efforts to increase usage of the Physicians Data Query (PDQ) system, a computerized data base that lists treatment options and available clinical protocols for all types of cancer. Other ways for enhancing physician and patient education should be explored.

*Training.*—The Institute is encouraged to seek innovative ways to increase the pool of scientists available for clinical investigative work and to give special attention to the training of minorities underrepresented in cancer research and therapy.

*Supercomputer.*—The supercomputer has made it possible to predict the spatial structure of the products of the Human Immunodeficiency Virus (HIV), the causative agent of AIDS, and those proteins associated with cancer transformation. With this information scientists may be able to design new drugs to effectively inhibit the growth of the AIDS virus. In addition, projects are being conducted using the supercomputer to design new strategies to treat cancer. The Committee has included \$34 million in the Office of the Director to upgrade the capacity of the NIH's supercomputer.

*Neurofibromatosis.*—The Committee would like to be brought up to date on activities relating to neurofibromatosis. This update should include a discussion of the mechanisms of tumorigenesis in cancers complicating NF and how the cooperative clinical trial groups are addressing the challenges of tumors that complicate NF, including optic tumors, acoustic neuromas, sarcomas and meningiomas.

*Proton beam therapy.*—The Committee has provided \$1,500,000 to conduct planning and development of a very limited number of referral centers for treatment of inoperable and inaccessible brain tumors through the use of proton beam therapy. The Committee is impressed with the potential such a program will have on the effective treatment of certain tumors and vascular diseases. In addition to the funding of such a program, the Committee directs that a report on the use of the funds and the potential effectiveness of the treatment be given within six months of the enactment of the bill.

*Minorities.*—The Committee urges the Institute to continue to expand its research initiatives related to minorities.

## NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

The bill includes \$1,090,930,000, an increase of \$8,433,000 over the amount requested and \$45,198,000 over the comparable 1989 appropriation.

*Mission.*—The NHLBI conducts and supports research on diseases of the heart, blood vessels, lung, and blood and on the uses of blood and the management of blood resources.

*Health impact.*—The diseases within the purview of the Institute result in over one million deaths annually, and more than \$164 billion in health costs. The death rates from heart attack and stroke have declined dramatically by 42 percent and 54 percent respectively since 1972 due to the research and education programs of the NHLBI. However, the magnitude of the problem mandates a continuation of programs in these areas. Among minority populations, the heart attack and stroke death rates, though declining, are substantially greater. Mortality from chronic obstructive pulmonary disease and asthma is increasing 7 percent per year in the whole population, but faster in blacks than in whites. Thus, minority health issues are a focus of special attention by the Institute.

*Basic research.*—A broad spectrum of basic research is included among the Institute's research project grants and centers programs. For example, molecular biology is used in the study of platelets, clotting and atherogenesis which are involved in the development of diseases such as heart attack and stroke. Monoclonal antibodies are utilized in developing new clot-specific thrombolytic agents that reduce heart muscle injury during heart attack. Molecular genetics and genetic linkage analysis are being applied to identify the fundamental defects and thus potential avenues of therapy for such diseases as cystic fibrosis, hypertension, atherosclerosis and asthma. Transgenic mice are used in research in such genetically based diseases as alpha-1-antitrypsin deficiency, cystic fibrosis, and sickle cell disease. Research in transgenic animals is an important step towards gene therapy for correcting the specific problem underlying a number of fatal diseases. In the past year, a new national program was established with the award of the first two Programs of Excellence in Molecular Biology. An expansion of the program is planned.

*Heart attack.*—Better techniques for the treatment of heart attack, through the early use of thrombolytic agents and through the selective use, postponement, or avoidance of balloon angioplasty, are saving lives and decreasing hospitalization costs. For example, an Institute-sponsored trial demonstrated that patients with heart attack who receive early thrombolytic therapy have a good prognosis and, in those whose symptoms stabilize, emergency or early coronary angiography and balloon dilatation have no additional favorable effect; these complex procedures can be deferred and used only in those patients who have specific need.

*High blood pressure.*—Of the 58 million Americans with high blood pressure, many have only slight elevations of blood pressure—mild hypertension. Optimizing their long-term management is important, preferably avoiding or minimizing drug treatment by such techniques as weight loss, relaxation regimens, dietary restriction of alcohol or sodium, or supplementation with potassium, calci-

um or magnesium. Definitive studies require many participants and several options for clinical trials are under consideration. A basic research program on hypertension is also being undertaken to study genetic markers, including their relationship to mechanisms of hypertension. These are expected to lead to therapeutic benefits and to more precise and efficient identification of those at highest risk of developing hypertension, and of those who will respond to specific therapies.

*Cholesterol.*—The increased risk for developing coronary heart disease with elevated blood cholesterol, particularly LDL-cholesterol, and the ability to reduce elevated blood cholesterol through diet, weight loss, and when necessary, drugs, are the basis for the National Cholesterol Education Program. One area of further research is a pilot study of the effectiveness of blood cholesterol reduction in men and women over age 60, who constitute the population with the highest prevalence of elevated blood cholesterol and the highest incidence of coronary heart disease.

*Bone Marrow Registry.*—The Committee is aware of the great strides that have been made in establishing a National Bone Marrow Donor Program, which has become an important national resource for the treatment of diseases of the blood and cancer. A bone marrow registry provides hope to the 70 percent of patients in need of a bone marrow transplant but who have no matched sibling donor.

Although the registry originally was established and funded through the Department of Defense, oversight for its operation last year was transferred to the National Heart, Lung, and Blood Institute, which can more fully develop and broaden research and applications utilizing the registry. Of the increase included for NHLBI, the Committee believes the highest priority should be given to funding the third year of the contract for the operation of the registry, assimilating a number of independent international registries into the national registry, and funding research programs and activities specifically related to the registry.

*AIDS.*—The Institute's AIDS research program includes improving the safety of the Nation's blood supply and research on the lung and heart manifestations of the HIV virus infection. The Transfusion Safety Study, which studied blood collected and transfused before it was possible to detect the HIV virus, has served as the benchmark for defining the hazard and the timecourse of HIV virus transmission through blood products and the subsequent development of AIDS. Research programs are underway for the development of more effective viral inactivation methods applicable to blood products and for more effective blood tests and donor screening programs. Targeted programs have been mounted to study the pulmonary manifestations of AIDS which are its leading clinical complications, the HIV virus involvement of the heart, pediatric AIDS acquired through maternal infection, and the impact of HIV infection upon the immune defense mechanisms and the bone marrow.

*Asthma.*—Asthma is an increasing cause of morbidity and mortality. Self-management by patients and assistance by the parents of children with asthma are important in controlling the frequency and severity of the symptoms. Improved methods of achieving this

control will be the topic of a soon-to-be established national education program. At the basic science level, an initiative for stimulating cellular and molecular biologic research into the influences of the autonomic nervous system upon airway function in health and disease is under consideration. The committee is fully supportive or expanded efforts in this area.

*Artificial heart.*—The Institute is continuing with the development of the implantable total artificial heart and with the clinical testing of the fully implantable left-ventricular assist device.

*Research centers.*—In FY 1988 the Institute established three Specialized Centers of Research on Cystic Fibrosis and two on Sleep Apnea. Vital centers programs are ongoing in Arteriosclerosis, Hypertension, five types of pulmonary diseases, Sickle Cell Disease, Thrombosis and Transfusion Medicine. The thrust of the Specialized Centers of Research in Ischemic Heart Disease are currently being expanded to cover three areas—Coronary and Vascular Diseases, Heart Failure, and Congenital Heart Disease. Research centers are important to the Institute's programs because they provide closely linked basic research and clinical investigative activities that lead to more comprehensive research approaches and at the same time speed the application of basic science findings to practice.

*Clinical trials.*—Large-scale collaborative clinical trials have served to establish or refute the benefits of promising interventions in the prevention and treatment of disease. For example, they serve as the basis for varied methods of treatment of high blood pressure and for the prevention of its complications; they are also the basis of the Institute's cholesterol education program, and for new treatments of heart attack and coronary heart disease. Clinical trial findings have resulted in major decreases in death rates from these diseases.

*Research training.*—Research training programs continue as a major priority for the NHLBI. The research career awards are critical in continuing to bring new strength to the Institute's research programs and provide advanced research development and experience for investigators. These awards allow promising highly trained physicians to develop basic and clinical research skills through the Clinical Investigator and Physician Scientist Awards, or to undertake such specific priority topics as Transfusion Medicine, Preventive Cardiology, and Preventive Pulmonary Medicine.

*Public Education.*—The National High Blood Pressure Education Program issued its fourth report on the detection and treatment of high blood pressure. The National Cholesterol Education Program issued the report of the expert panel on detection, evaluation, and treatment of high blood cholesterol in adults. The National Blood Resources Education Program is engaged in professional and public education on blood safety, blood product usage and blood donation. Its scope is being broadened to include enhanced recruitment for the bone marrow donor program. In addition, a national education program on asthma is to be established.

*Preventive Cardiology Awards.*—The Preventive Cardiology Academic Award is made to schools of medicine and osteopathy, is designed to foster the initiation of and improvement in preventive cardiology curricula and to stimulate research careers in the area

of primary prevention of cardiovascular disease. Given the prevalence of cardiovascular disease in the minority population, the Committee is concerned that no Preventive Cardiology Academic Awards have been made to an Historically Black College or University. The Committee urges NHLBI to review the program's guidelines and make an effort to identify barriers faced by HBCUs.

#### NATIONAL INSTITUTE OF DENTAL RESEARCH

The bill includes \$138,053,000, an increase of \$2,257,000 over the amount requested and \$7,219,000 over the comparable 1989 appropriation. Within the increase provided the Committee believes that the Institute should give serious consideration to the need for dental research centers.

*Mission.*—The NIDR conducts and supports research and research training into the causes, prevention, diagnosis, and treatment of oral diseases and conditions.

*Caries reduction.*—The results of the Institute's latest survey show that approximately 50 percent of American school children are cavity free, and the others have significantly fewer and smaller cavities than do children examined just a few years ago. These declines in tooth decay represent savings to the Nation of about \$3 billion each year.

*Oral health in adults and older Americans.*—In a report requested by the Committee, the NIDR described its progress on a major initiative called the "Research and Action Program for Improving the Oral Health of Adults and Older Americans." The goals of the program are to eliminate tooth loss in the U.S. population and prevent further deterioration of oral health in older Americans. The Institute's role will be to expand the knowledge base and accelerate the transfer of laboratory findings to the public and the dental care profession. Significant cost savings to the Nation—over \$2 billion in denture cost alone in the next 20 years—are expected to accompany these further improvements in oral health. The dental health of the elderly is a principal goal for the Institute.

*Clinical research.*—The Director testified that the Institute is developing a new Long-Range Research Plan for the Nineties, and that a major theme emerging from this activity is an emphasis on clinical research. The NIDR has long recognized the importance of such research. In a 1985 report to the Congress, the Institute endorsed the recommendation of an advisory panel to initiate clinical core research centers. Such centers would provide the state-of-the-art resources and equipment needed to facilitate the conduct of research by basic and clinical scientists focusing on a common area.

*Dentist-Scientist program.*—During testimony it was reported that the DS award program will reach steady state this year, with the first dentist-scientists graduating in 1990 and an equal number of new dentists beginning their first year of support.

*Research center in aging.*—The Institute reported that it had awarded its first grant for a Research Center on Oral Health in Aging. Among the center's projects are epidemiological studies, research on periodontal diseases, and investigations of sensory functions, such as taste and smell, in older people.

*Pain research.*—The costs associated with chronic pain and its treatment exceed an estimated \$80 billion annually in the United States. The NIDR is the lead agency for pain research and is responsible for the direction of the Pain Research Clinic at the NIH. Approximately 20 to 25 percent of all chronic pain problems occur in the face and oral cavity. Of recent particular interest is research involving temporomandibular joint (TMJ) disorders. Findings to date indicate that 1 in 10 Americans may be troubled by persistent TMJ-associated discomfort. The Institute plans to encourage additional research in this area in FY 1990. The Committee would encourage the Institute to establish a center focusing on this problem if scientifically justified.

*Restorative materials.*—The most significant advance in this field has been the development of new materials that bond directly to enamel and dentin, thereby minimizing the drilling of sound tooth substance and the use of anesthetics. Progress is also being made on the development of new alloys, resins, and ceramics. Further, the application of a computer-aided design and manufacturing process to production of restorative systems will eventually revolutionize restorations and prostheses. Because of the opportunities in this area and the potential for significant cost savings, the NIDR intends to fund two new materials science centers in FY 1989.

*Sealants.*—The Institute reported that these recently developed materials, which are applied to the rough pit and fissure surfaces of the teeth of children, fully protect these especially vulnerable surfaces from the development of cavities. This process—in combination with fluoridation—has the potential for resulting in the virtual elimination of tooth decay in children.

#### NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

The bill includes \$590,276,000, an increase of \$7,647,000 over the amount requested and \$30,628,000 over the comparable 1989 appropriation.

*Mission.*—The Institute conducts and supports research and research training on many of the Nation's most serious diseases: diabetes; endocrinology and metabolic diseases; digestive diseases and nutrition; and kidney, urologic, and blood diseases. Many common basic research threads underpin and unite NIDDK disease-oriented programs.

*Diabetes.*—Diabetes is a chronic disease that often leads to life-threatening or debilitating complications. Eleven million Americans are afflicted with diabetes, which costs the public about \$20 billion annually. Research is unraveling the disease process of insulin-dependent, or Type I, diabetes. Studies of the "autoimmune" destruction of insulin-producing cells have pinpointed a region of an immune response gene that can confer either disease susceptibility or resistance. To improve diagnosis of this disease, researchers have developed a new blood test that appears to predict onset at a very early stage. About 90 percent of diabetics have noninsulin-dependent, or Type II, diabetes. They are "resistant" to insulin, even when levels of the hormone are adequate. New insights are being gained from studies of patients with a rare genetic form of extreme

insulin resistance. The finding of defective insulin receptors in these patients suggests that receptor defects may also lead to this form of the disease. In another area of research, to combat the complications of diabetes, two types of drugs are being developed—aldose reductase inhibitors and aminoguanidine. In addition, the NIDDK is sponsoring a clinical trial which compares the effects of two treatment regimens on the development of vascular complications that may result from diabetes. To gain greater understanding about the reasons that diabetes disproportionately affects minorities, the Institute sponsored a workshop on diabetes in Hispanics and a symposium on diabetes in Black Americans.

The Committee is aware that diabetes-related kidney disease is the leading cause of renal failure and is on the rise in the United States. Currently, one in three patients on kidney dialysis has diabetes, and it is estimated that within the next few years persons with diabetes will comprise 50 percent of the dialysis population. The Medicare-supported End Stage Renal Disease program—which presently costs the federal government \$3 billion annually—currently treats 130,000 patients, about 40,000 of whom are on dialysis because of diabetes. Yet, despite the enormous costs of diabetes-related kidney disease, it is estimated that NIDDK will be able to fund less than 10 percent of the grant applications approved by the relevant study section in diabetes-related kidney disease. The Committee considers research in this important area to be of the highest priority and has provided increased funds to the Institute for meritorious projects in this field.

*Endocrine research.*—The endocrine system coordinates vital life processes, and defects of this system are a major source of disease. As estrogen is instrumental in maintaining bone mass, the new discovery of estrogen receptors on bone cells should enable scientists to explore the role of estrogen in diseases such as osteoporosis. To study the hormonal control of stress, investigators developed an agent that prevents the stress response of experimental animals by blocking a specific hormone receptor. Clinically, scientists are using a somatostatin analog to treat a wide variety of disorders from acromegaly to very low blood pressure and diarrhea.

*Metabolic diseases.*—The Institute supports and conducts research into many genetic diseases, which are rare or “orphan” diseases. Scientists are close to finding the cystic fibrosis (CF) gene and are defining the biochemical defect that characterizes cells of CF patients. Cystic fibrosis centers are enhancing research into the cause, diagnosis, and treatment of CF. In addition, intramural scientists are contributing to the base of knowledge necessary for future gene therapy studies, in which efforts will be made to replace proteins that are missing or defective in genetic diseases. To study genetic processes, researchers are creating transgenic animals, whose genomes contain foreign genes. Last year, a collaborative effort with the private sector resulted in the use of these animals to produce a therapeutic protein, tissue plasminogen activator, in mouse milk. This year, this system was applied to pigs. This research is aimed at developing an inexpensive and abundant source of therapeutic proteins that can be easily extracted from animal milk.

The Committee commends both the NHLBI and the NIDDK for their swift and responsive attention to the development of cystic fibrosis centers. This disease is a prime example of the important role public/private partnerships can play in advancing the best of science in the quest for an effective cure and prevention of this tragic disease.

*Digestive diseases.*—New therapies for diseases of the digestive tract are improving the outlook for treating many of these diseases. Combination therapies of shock waves and bile acids represent improved nonsurgical treatments for gallstones. A new preservative solution is increasing the duration of viability of donor livers for transplantation. Using organs preserved in this solution also reduces retransplantations by one-third and results in fewer complications associated with transplantation. The Institute has established a liver transplantation data system, a liver cell culture facility, and a liver procurement and distribution system. Recent studies of Crohn's disease have shown that an abnormal proliferation of smooth muscle cells produces excess collagen, leading to an aberrant thickening of the bowel wall. In ulcer research, new drugs should improve therapy by reducing or eliminating acid secretion. Other scientists are developing a drug therapy and nutritional regimens that show promise for improving the malnutrition associated with AIDS.

The Committee remains supportive of the Digestive Disease Centers program, which provides a network of research expertise involving basic and clinical investigators in joint efforts to address the causes, diagnosis, prevention, and treatment of digestive diseases and nutritional disorders.

*Nutrition.*—A long-term investment in obesity research by intramural scientists has resulted in definitive studies of human energy expenditure. This research showed that low metabolic rates cluster in families, indicating that obesity may have a genetic basis. Recent findings showed that low metabolic rates predispose people to obesity. NIDDK grantees identified a protein, called adipsin—the first candidate for a regulator of fat cell activity. In studies of the effects of special nutrients in the diet, investigators have determined that omega-3 fatty acids are essential for the normal development of the brain and retina.

*Kidney and urologic diseases.*—Twenty to twenty-five million Americans have kidney and urinary tract diseases, and end-stage renal disease (ESRD) alone costs the Federal Government nearly \$3 billion annually. The most common cause of ESRD is kidney disease of diabetes mellitus (KDDM), the current focus of a multidisciplinary research initiative. In animal studies, certain drugs completely corrected this form of kidney disease, which is associated with elevated blood pressure in the kidney. The clinical trial, "Modification of Diet in Renal Disease (MDRD)," is a research strategy to combat ESRD by determining whether dietary restriction of protein and phosphorous can prevent or delay deterioration of kidney function. This multicenter trial is now in its full-scale phase, in collaboration with the Health Care Financing Administration. Another vital resource, the U.S. Renal Data System, was established in May 1988 to gather information on the ESRD population. The Institute is sponsoring a symposium, "Renal Disease and Trans-



plantation in Blacks," to explore the problem of kidney disease in minorities. In kidney stone research, scientists are improving non-surgical treatments, such as shock wave therapy, which are often combined with other measures. A recently approved drug, tiopronin, used to treat one cause of kidney stones—cystinuria—does not cause the serious side effects that occurred with D-penicillamine, the previously used drug. Scientists have refined their knowledge of the role of the hormone androgen in regulating prostate growth, which may shed light on the development of benign prostatic hyperplasia. The Institute has spearheaded the development of diagnostic criteria to aid research on interstitial cystitis, a debilitating disorder of the bladder, and has made progress in building high-quality research efforts in this area.

The Committee urges the Institute to consider the establishment of training programs for researchers within the George O'Brien Kidney and Urology Centers.

The Committee has heard testimony about serious training problems in the area of pediatric nephrology and urges the Institute to address this problem.

The Committee notes urology grants are currently reviewed by 19 study sections most of which do not have urologists. The Committee requests that the Director consider possible solutions to the problem.

*Hematology.*—The red cell boosting hormone erythropoietin can now be manufactured easily and inexpensively using recombinant DNA technology as a result of the NIDDK support. Clinical studies show that recombinant human erythropoietin can substantially improve the quality of life of dialysis patients by correcting their anemia. In collaboration with other groups, intramural researchers used a calcium blocker to improve color vision and blood flow in the eyes of patients with sickle cell anemia.

#### NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

The bill includes \$495,203,000, an increase of \$1,701,000 over the amount requested and \$22,857,000 over the comparable 1989 appropriation.

*Mission.*—The NINDS supports and conducts research and research training on the brain, the nervous system, and neurological and neuromuscular disorders including brain and spinal cord trauma, Parkinson's disease, epilepsy, stroke, brain tumors, neuro-AIDS, and Gaucher's disease.

*Head injury.*—The Interagency Head Injury Task Force, representative of thirteen Federal agencies and chaired by the Director, NINDS, was established in 1988 with the encouragement of the Committee. The Task Force conducted an extensive review and held public hearings to determine the impact of head injury on the U.S. population. The magnitude of the problem is enormous. Every fifteen seconds someone is head-injured. Every five minutes someone becomes permanently disabled as a result of a head injury. Every five minutes someone dies from a head injury. Traumatic brain injury is the leading killer and cause of disability in children and young adults. The cost of care and services for patients with traumatic brain injury approaches \$25 billion per year. The Task

Force's report to the Committee includes recommendations for a national strategy on traumatic brain injury, emphasizing research needs in prevention, basic biology, and clinical and rehabilitation intervention.

The NINDS leads the Federal research effort against head and spinal cord injury, maintaining clinical and epidemiologic investigations aimed at improved diagnosis, treatment, and restoration of function. These clinical studies are bolstered by basic laboratory studies of the nervous system's response to trauma and nerve cell growth and repair. The NINDS studies range from investigation of cellular events occurring after the initial brain or spinal cord injury to clinical trials and to studies of restitution of function.

The Committee notes that the first two recommendations of the report were to establish "traumatic brain injury" as a category in reporting systems and to designate a lead Federal agency with responsibility for overall coordination and planning for Federal, state and private sector activities along with a government-private sector advisory group. The Committee would like the Interagency Task Force to map out the steps necessary to accomplish those recommendations, to carry out as many of those steps as it can, and to report back to the Committee.

*Neurogenetics.*—One-quarter of the estimated 4,000 genetic disorders affect the nervous system. In the area of neurogenetic research, scientists have identified a defective gene, chromosome, or an associated genetic marker for many neurological or neuromuscular disorders. Building on the recent discovery of the gene responsible for Duchenne's muscular dystrophy, scientists can now differentiate between various forms of muscular dystrophy. NINDS grantees are now working on the next step—the development of treatments based on the role of dystrophin and the use of transgenic materials. Several markers for Huntington's disease have been located. Investigators at the NINDS-supported Huntington's disease "centers without walls" are leading the search for the gene and attempting to identify the gene product. They are also conducting field trials of a presymptomatic test for Huntington's disease. Similarly, NINDS grantees are narrowing the search for the two genes responsible for the two different forms of neurofibromatosis.

An added benefit from neurogenetic research is much of what is learned from the neurological models of genetic defects can be applied to other genetics projects.

*Gaucher's Disease.*—The Committee continues its special interest in neurogenetic disorders. Gaucher's Disease, a lipid storage disorder caused by a deficiency of an enzyme known as glucocerebrosidase, is being comprehensively studied from the level of the gene to the patient. Research teams have already cloned a gene for the defective enzyme as well as developed a new tissue culture model for Gaucher's Disease. Intramural scientists at the NIH have inserted the normal gene into mammalian and into insect cells, and produced the desired enzyme, thus advancing the eventual possibility of gene transfer studies in patients. Other investigators at the National Institutes of Health (NIH) have pursued a comprehensive examination of the responses of Gaucher's patients to enzyme replacement. They have determined the effectiveness of the enzyme at various dose levels. This information is being used to develop a

protocol to examine the clinical effects of enzyme replacement in patients with Gaucher's Disease.

As research on Gaucher's Disease contributes to advances in biomedical research and serves as a model for investigating related disorders, the Committee urges the Institute to pursue research concerning enzyme therapy and gene replacement and repair. The Committee understands that additional space, personnel, equipment and supplies could be productively utilized for new studies in enzyme replacement and molecular genetics relating to Gaucher's Disease.

*Epilepsy.*—Epilepsy is among the most common neurological disorders in this country. NINDS grantees and scientists are working to discover the underlying mechanism for seizure activity and to improve methods for diagnosis and treatment. The Institute's antiepileptic drug development program screens new compounds for their antiepileptic potential and supports clinical studies to evaluate their effectiveness. This program has contributed to the marketing of four new drugs; two other drugs are being developed which do not have the sedative effect of many currently used epilepsy medications. The Institute is also focusing laboratory and clinical efforts on neonatal seizures which affect low birthweight infants.

*Neuroimaging and PET.*—The modern brain imaging techniques have revolutionized neuroscience research by greatly expanding the ability to study the structure and function of the living human brain. Computer tomography, magnetic resonance imaging, and position emission tomography (PET) are now standard tools to study the brain, each contributing a unique body of information. A newer technique, magnetoencephalography, has proved useful in combination with routine electroencephalographic recordings to localize more precisely the origin of seizures prior to therapeutic brain surgery.

For years, PET has been used to study the relative level of energy utilization, a measure of brain activity, in the different parts of the brain and under different disease conditions. Through PET, scientists have greater understanding of Alzheimer's disease, Parkinson's disease, Tourette's syndrome, stroke, and genetic disorders, as well as insights into the utility of medications to treat some of these conditions. Building on these studies, scientists are using PET to study the location of receptors and the presence of neurotransmitters. PET and other imaging techniques hold the potential for even greater applications in the study of drug abuse and the higher cognitive functions such as language, thinking, and memory.

*Stroke.*—Despite an increased survival rate, stroke remains the Nation's third leading cause of death, and a major cause of disability. The NINDS supports and conducts research aimed at the prevention, diagnosis, and treatment of this broad group of brain disorders. Fatty deposits blocking the carotid artery in the neck are one cause of stroke. The Institute supports clinical trials to evaluate the efficacy of medical therapy alone versus medical therapy and surgical therapy combined to prevent strokes. Results from these trials will be used in determining treatment for people at risk for stroke.

The Committee is concerned that a recent program announcement to encourage the submission of research grant applications in the area of stroke in Black populations garnered only two applications, of which only one was fundable. The Committee urges the Institute to reissue the solicitation and make additional efforts to attract research in this area.

*Neuro-AIDS.*—Approximately 40–60 percent of AIDS patients have neurological symptoms (dementia, personality changes, and motor dysfunctions) that add to the personal suffering caused by AIDS and the difficulty in caring for AIDS patients. The NINDS maintains intramural and extramural studies to investigate the course of AIDS infection in the central nervous system, and to investigate therapeutic intervention approaches.

*Spinal Cord Injury.*—The Committee believes that the area of spinal cord injury research presents some unique research opportunities. The results of this research may have far-reaching consequences for other medical research. Developments such as those occurring at the Miami project to cure paralysis are particularly encouraging. The Committee urges the NINDS to continue to take advantage of the exciting opportunities that may be available to enhance innovative work on paralysis.

*Narcolepsy.*—The Committee remains concerned over the level of research support devoted to narcolepsy, a disorder which affects approximately 200,000 Americans. The Committee requests that the Institute provide a summary of currently supported narcolepsy research as well as an outline of initiatives planned for the future, and that the Institute consider sponsoring a scientific symposium in order to improve the focus of narcolepsy research.

*Dystonia.*—Within the increase provided, the Committee encourages increased support for research on dystonia, especially in light of the discovery of the gene marker.

*Batten's disease.*—The Committee continues to be aware that very little research has been funded for Batten's disease. Therefore, the Committee directs the NINDS to more actively solicit, encourage, and provide guidance for applications for grants of quality for Batten's disease research, or to otherwise take such steps as are necessary to assure that a vigorous research program is initiated.

#### NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

The bill includes \$845,523,000, an increase of \$2,811,000 over the amount requested and \$103,246,000 over the comparable 1989 appropriation.

*Mission.*—The mission of the NIAID is to support biomedical research and training in order to provide the knowledge and ability to alleviate diseases resulting from disorders of the immune system. The Institute supports a multifaceted and multidisciplinary approach to eliminating diseases which plague mankind and which kill millions each year and are responsible for billions of dollars in lost productivity and lost opportunities annually.

*Lyme disease.*—This newly recognized disease is the most common arthropod-borne disease in the United States. This disease is spreading rapidly and has been reported in 43 states and 21 countries around the world. It is insidious and later manifestations

are often debilitating, causing considerable suffering for the patient and family. Due to the various manifestations of the disease, basic research will be performed on the causative organism, its biology, pathogenesis of the disease, diagnostic antigens, and the host's protective immune response. These studies are designed to yield a candidate vaccine in the near future. The Committee urges the Institute to expand research in this critical area.

*Asthma and allergy.*—The possibility of controlling asthma may be on the horizon as a result of the basic research funded by the Institute. The results of this research have provided information concerning the chemicals in the body that lead to the inflammation associated with asthma. This has resulted in new therapies which are improving the long term treatment of asthma.

Researchers funded by the Institute have purified and characterized several components in pollens which provoke allergic responses and have shown how that knowledge can be used therapeutically to blunt the allergic reaction. For example, researchers have been able to develop specific forms of immunotherapy designed to stem the reaction to mountain cedar pollens.

*Pertussis.*—The Institute has made a major advance toward developing a safer pertussis vaccine. The inactivated toxin used as the basis for this new generation vaccine could have fewer side effects than pertussis vaccines now licensed or in experimental use. Several of the newer acellular pertussis vaccines have been tested for safety and immunogenicity in phase I and II clinical trials in the Vaccine Evaluation Units sponsored by the Institute. Consequently, the Institute is identifying sites for further clinical trials of acellular pertussis vaccine candidates.

*Sexually transmitted diseases.*—The Institute is conducting an active research program to improve methods of prevention, diagnosis, and treatment of a growing number of sexually transmitted diseases. Efforts to develop improved diagnostic tests, more effective therapeutic drugs, and candidate vaccines, are stressed by the Institute. Studies of vaginosis, pelvic inflammatory disease and their sequelae will continue to be emphasized. These studies will be aimed at identifying risk-factors and possible interventions. In addition, the Institute will accelerate vaccine development in this area.

Recent encouraging results obtained with antivirals in the therapy of sexually transmitted diseases will be followed up. Therapy that combines two or more antiviral agents is attractive because it offers the possibility of synergistic efficacy, decreased opportunity for the development of viral resistance, and the ability to use toxic drugs at subtoxic concentrations.

The Committee has stated repeatedly its support for increased STD research. These diseases impair the health of women and the health of infants, and increase the risk of acquisition and transmission of HIV infection. The Committee intends that studies be expanded to determine the role of STDs in the acquisition of HIV, and to determine the effect of HIV infection on the clinical manifestations of other STDs.

The Committee is concerned about the serious health consequences of STDs, particularly for women and their babies. The Committee urges the NIAID to increase its efforts to stimulate

more interest in STD research in areas not directly related to AIDS, as the Committee believes that such research efforts are currently inadequate to address these important diseases which have serious consequences for women, including infertility, ectopic pregnancy and cancer. Further, these diseases are now also implicated as risk factors for AIDS.

*Transplantation research.*—Research on transplantation is of increasing importance. There are several diseases for which bone marrow transplantation is the most efficacious treatment. However, the success rate for bone marrow transplantation is only about 50 percent. The Institute will investigate the application of biotechnology to problems associated with transplantation. As a result of the NIAID sponsored basic research, investigators have a greater ability to understand and control the rejection response potential of certain antigens. Thus, efforts to characterize antigens which will potentially lead to improved graft survival will be intensified.

*AIDS.*—AIDS has shown how devastating an infectious disease can be. It has also shown how vital it is to continue the basic research to delineate the regulatory mechanisms of the immune system. The Institute is the lead NIH agency in the fight to combat this disease. Important initiatives include involving community providers in clinical trials to expand access to those previously unable to participate; increasing access to underrepresented groups such as minorities, children, and IV drug users in clinical trials; expanding centers for AIDS research to integrate basic, clinical and applied research; increasing the number of National Cooperative Vaccine Development Groups; and improving communication and information exchange regarding clinical trials and drug development.

The discovery and development of new drugs to treat HIV infection and the opportunistic infections associated with AIDS are among the highest priorities of the Institute. Optimism exists for the discovery and development of improved therapies for the treatment of AIDS. AZT has been licensed and at least three drugs are in clinical trials.

Clinical trials of AIDS vaccines are another challenge the Institute is helping to meet. Last year the NIAID began the first human trial of an experimental AIDS vaccine. The study is continuing in the NIAID intramural laboratory and the vaccine is also being tested in the NIAID's six Vaccine Evaluation Units. The vaccine has been shown to be safe and immunogenic. More studies will be done to determine the safest dose that will elicit the maximal immune response. Tests on a second vaccine are soon to be initiated.

Complicating the development of a vaccine or drug has been the lack of an adequate animal model in which to test candidate products. During the past year, two small animal models of the human immune system were developed which may revolutionize the ability to understand the basic mechanisms of the immune system and potentially speed up the development of an AIDS vaccine or drug.

Despite the rapid expansion of the NIAID clinical trials network, the need for greater access by a broader spectrum of the infected population exists. Thus, the Institute has initiated the Community Program for Clinical Research on AIDS, specifically intended to

broaden the base of the Institute's research efforts by including community physicians and their patients. The NIAID expects that these efforts will be innovative and responsive to community needs while also meeting the criteria for sound scientific research.

Knowing the chemical structure of the genetic material of the AIDS virus has enabled the NIAID scientists to use a new basic research technique called polymerase chain reaction, with important clinical success. The polymerase chain reaction can multiply extremely minute quantities of genetic material in a blood sample, thus making it possible to detect viruses that may be hidden in as few as one in a million white blood cells.

Possible applications of this technique include early detection of HIV infection enabling earlier treatment interventions, measurement of HIV reduction in patients being treated with antiretroviral agents, and differentiating between babies with true HIV infection at birth and babies who are uninfected and have transient maternal antibodies. With the recent expansion of the pediatric units of the AIDS Clinical Trials Group, the capability to begin large clinical trials in children with HIV infection is now in place. Phase I trials of a number of promising antiretroviral agents are planned in children.

The Institute has established the first phase of an AIDS Clinical Trials Information Dissemination contract. This is a phased effort, starting with a telephone information system to respond to inquiries on clinical trials supported by the NIAID and expanding over a two year period, to a sophisticated computer-based system of information on all the NIAID clinical trials with the capability of providing accurate information rapidly.

The Committee encourages continued attention to the social and behavioral questions related to AIDS research throughout the National Institutes.

The Committee continues to be concerned about the lack of participation by minority groups in AIDS clinical trials. The representation of minority community members within the AIDS epidemic is high in proportion to their representation in the total population. The Committee urges the NIH to move to improve the representation of Blacks and Hispanics in AIDS drug clinical trials and to submit a report to this Committee on the specific efforts and progress that has been made to improve this situation.

The Committee is pleased to learn of NIAID's continuing commitment to improve access to clinical trials for hemophilia patients who suffer from AIDS, ARC or HIV infection. Currently, NIAID funds a placebo controlled trial to evaluate AZT in treatment of HIV in hemophilia patients. The Committee understands that a working group comprised of hemophilia treatment centers' hematologists, NIAID scientists, and national hemophilia organization representatives are developing recommendations for expanding access beyond the AZT study to existing and new clinical trials covering the spectrum of infection from the asymptomatic phase to full-blown AIDS. Within the resources provided for the Institute, the Committee urges NIAID to increase its research support as appropriate, in order to expand experimental regimen options for hemophilia patients through the national hemophilia treatment network.

*Chronic Fatigue Syndrome.*—The Committee commends the Institute for its intramural research progress on Chronic Fatigue Syndrome (CFS), and for its support for extramural CFS research. Substantial progress has been made in understanding CFS, but much is still not known and the CFS research effort should therefore be broadened and expanded. To further extramural efforts, the Committee urges the NIAID to issue a Request for Applications on CFS in order to increase the number of extramural research grants funded. The Committee also urges the Institute to study the propriety and feasibility of establishing a research center for CFS study.

### *Vaccines*

The Committee is aware of the crucial role of the development of vaccines in the prevention of many diseases and of NIAID's commitment and leadership role in this area. The Committee understands that major advances in basic research have opened the door for the development of novel approaches to vaccine development, such as recombinant DNA vaccines. These advances and new techniques offer promising research opportunities in several areas, including Lyme disease, pertussis, rotavirus, retroviruses, Group B streptococcal infection, and cytomegalovirus. The Committee would encourage NIAID to intensify its vaccine development research efforts in these areas.

### NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

The bill includes \$692,639,000, an increase of \$10,390,000 over the amount requested and \$37,975,000 over the comparable 1989 appropriation. The Committee has considered funds for the human genome initiative originally requested under this institute, under a separate new appropriation account.

*Mission.*—The primary mission of the NIGMS is the support of research and research training that provides a basic understanding of life processes—an understanding that is necessary for the eventual solution of specific disease-related problems. Such untargeted basic research also yields unexpected developments. For example, recombinant DNA technology, the cornerstone of today's biological revolution, is an outgrowth of research into the basic nature of hereditary material, DNA.

*Genetics.*—Genes are the units of heredity, and thus are directly implicated in approximately 4,000 disorders that are estimated to account for 15 to 20 percent of the Nation's health care costs. New techniques are leading researchers to identify more genes involved in genetic disorders. It is hoped that researchers will be able to begin experimental trials of gene therapy—the replacement or correction of defective genes—for selected human genetic diseases. So far, though, genes transferred from one cell to another in cell culture systems and in test animals have usually functioned poorly, if at all.

Major new advances have been made in a method called "homologous recombination," which allows researchers to direct genes to specific sites within the cell's DNA. This achievement may also enable scientists to develop animal models for the study of various genetic diseases.



In addition, genetics research helps improve treatment and may provide ways to prevent or cure a host of disorders. Recently, the comparison of genetic relationships among certain microorganisms, including *Pneumocystis carinii*, the organism that causes often-fatal pneumonia in people with AIDS, has yielded results that may help treat AIDS patients. As a result of these comparisons, researchers have concluded that the organism is a fungus, not a protozoan, which will enable them to design drugs to treat the pneumonia that will take into account the special aspects of fungal biology.

*Cellular and molecular basis of disease.*—The NIGMS supports research on the structure, chemistry, and function of cells and their components; the ultimate goal of which is a better understanding of cellular and molecular processes that could lead to new ways of improving human health. For example, scientists studying immunobiology have designed proteins that may outperform antibodies in clinical situations. The new proteins should prove advantageous in diagnostic tests that now use antibodies to seek out and attach to tumor cells. Currently, the usefulness of such tests is limited because whole antibodies can sometimes bind to nontumor and tumor cells, thus making a tumor appear more widespread than it actually is.

*Pharmacological sciences.*—The NIGMS supports research that includes the study of specific chemical actions by which the body metabolizes foreign compounds such as drugs, the genetic basis for variability in drug response, studies of anesthetics, and the majority of the basic chemistry studies funded by the NIH. The Institute also supports research on the therapeutic effects of natural products, with the goal of improving their activity and, in some cases, decreasing toxicity or increasing the specificity of action.

Researchers have synthesized ginkgolide B, the active ingredient of ginkgo tree leaves. Ginkgo extracts are used in China and Europe to treat a wide variety of ailments. The availability of synthetic ginkgolide B may make it possible to test the effectiveness of these substances in controlled studies, and to develop new drugs for such conditions as stroke and asthma.

*Structural biology.*—As molecular structure is crucial to function, the NIGMS supports studies to elucidate the physical structures of DNA, proteins, and related molecules. Spurred by the development of sophisticated computers and other instruments, researchers are making rapid advances in their understanding of structural biology.

Using such techniques as X-ray crystallography, nuclear magnetic resonance spectroscopy, and computer graphics, researchers are attempting to characterize the key mechanisms of action of the human immunodeficiency virus (HIV), which causes AIDS, and to apply this knowledge to the development of drugs to combat the disease. Scientists have succeeded in inducing the *E. coli* bacterium to produce the enzyme that allows HIV to reproduce within human cells, and have gone on to purify the enzyme and obtain small crystals of it. They are now attempting to discern the enzyme's structure, since a detailed picture of the molecule's shape may enable researchers to design drugs to combat the virus.

*Research training.*—As well-trained, creative scientists are the most critical prerequisite of good research, research training has

always been a vital part of the NIGMS mission. Serious personnel shortages exist in such fields as biochemical engineering, structural biology, immunogenetics, and chemistry. These shortages may undermine the Nation's prominent position in biotechnology. To help reverse this trend, the NIGMS has created a new research training program in biotechnology. This program emphasizes the application of engineering, mathematical, chemical, and physical research methods and approaches to the analysis of biological processes.

The "life blood" of the Institute's research training efforts are the multidisciplinary training grants supported by each program. These training programs prepare students to meet the new and expanding opportunities in basic biomedical research. In addition, the Institute has successful training activities. These include the Medical Scientist Training Program (MSTP), which aims to rectify the shortage of well-prepared clinical researchers, and the Minority Access to Research Careers (MARC) Program, which seeks to increase the number and capabilities of minority scientists engaged in biomedical research. Recently, the Task Force on Women, Minorities, and the Handicapped in Science and Technology singled out the MARC Program as "a prime example of a successful Federal intervention program."

The Committee believes that research training must be given the highest priority and has added \$24.57 million throughout the NIH to fund approximately 11,200 trainees, an increase of 700 over the number proposed in the Budget. Further, the Committee would like to receive, prior to next year's hearings, a report from the NIH which outlines the long term plans for training needs and addresses where the specific gaps exist in current training efforts to meet these needs.

The Committee is pleased with the success of the MARC Program in attracting minority students into biomedical research. A 1984 survey found that 76 percent of former MARC students had enrolled in a graduate or professional school program. Currently, students eligible to compete for a MARC Traineeship apply for the MARC program during the second semester of the sophomore year, and if accepted, begin participation the summer before their junior year. The Committee requests NIGMS to explore the feasibility of extending the MARC Honors Undergraduate Program into the freshman year of college and report to the Committee prior to the FY 1991 hearings. The Committee has included an addition of \$2.5 million over the Budget request to expand the MARC program.

The Committee is fully supportive of this Institute's other large minority research initiative, the Minority Biomedical Research Support (MBRS) Program, and has added \$1.4 million to expand this program. This is in addition to amounts for the MBRS program expected to be transferred from the Division of Research Resources. The Committee is also pleased that NIH is expanding its minority programs and the addition provided in the bill should help finance these initiatives.

## NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

The bill includes \$448,493,000, an increase of \$4,300,000 over the amount requested and \$22,961,000 over the comparable 1989 appropriation.

*Mission.*—The NICHD supports and conducts research and research training to promote the health of mothers and children and to further understanding of human reproduction and the population sciences. Research involving mothers and children includes studies aimed at such problems as low birth weight and infant mortality, mental retardation, Sudden Infant Death Syndrome, birth defects, AIDS, learning disabilities, and childhood injuries. In the population sciences, the NICHD is working to develop new contraceptive methods, to assess the safety and efficacy of those already on the market, to develop strategies to combat various problems in reproductive medicine such as infertility and endometriosis, and to gain better understanding of basic reproductive biology.

*Contraceptive development.*—One of the most dramatic advances of the year is an accomplishment by an NICHD grantee who succeeded in inducing 100 percent effective contraception in both male and female guinea pigs using an immunocontraceptive vaccine he developed. This vaccine uses the host animal's own immune system to prevent pregnancy. Immunocontraceptive vaccines for humans are an exciting prospect because such vaccines would be safe, effective, inexpensive, reversible, convenient, and acceptable to a wide range of people.

The Committee remains concerned about the high rate of unintended pregnancy among U.S. women and the lack of new and improved methods of contraception that are safe, effective, inexpensive, reversible and acceptable to various segments of the population. The role of the NICHD in responding to this serious situation remains critical in light of the small number of private sector companies active in this field. The Committee urges the Institute to place a greater priority on funding its ongoing special initiative on contraceptive research and development.

*Preventing infant mortality.*—A breakthrough in developing an entirely new approach to contraception is important to the problems of infant mortality. Infant mortality is closely linked to low birth weight and babies born as a product of an unplanned pregnancy are much more likely to be low birth weight than are "wanted" babies. Many teen pregnancies, most of which are unplanned, result in a low birth weight infant.

NICHD research has led to better understanding of nutrient and temperature requirements for low birth weight and premature infants and to improved techniques for diagnosing, preventing and treating life-threatening conditions such as infection and intracranial hemorrhage. Clinical trials in obstetrics and neonatal intensive care are evaluating new approaches to preventing low birth weight and improving infant survival.

The Committee has been advised of the success of monitoring women at high risk for pre-term birth. The Institute is encouraged to incorporate research in this area into the existing centers programs to determine the value of monitoring as a means of lowering infant mortality and morbidity.

*Sudden infant death syndrome (SIDS).*—The critical need for continued research into SIDS has resulted in the newly published NICHD 5-year SIDS research plan. A committee of experts from various research fields related to SIDS prepared a report on current research and areas in need of study. Research funded by the NICHD clearly has helped to enhance the understanding of many of the underlying biological processes associated with SIDS.

*Vaccine development.*—NICHD scientists have developed and are now testing a new vaccine to prevent *Hemophilus influenzae meningitis*, the current leading cause of acquired mental retardation in this country. A pilot study in Sweden was recently completed and the vaccine was found to be effective and free of serious side effects. Plans are to test this vaccine in the U.S. NICHD scientists are also working on new, improved vaccines for typhoid fever and pertussis.

*Childhood injury prevention.*—Injuries are the major cause of death in children after the first year of life. Due to the importance of this problem, the NICHD is supporting a range of research projects designed to identify factors in the home, school, and play settings that make injuries more likely. This research should lead to practical approaches for reducing the frequency and severity of childhood injuries.

*Rett Syndrome.*—The Committee continues its strong interest in research related to Rett Syndrome, a genetic disorder affecting more than 10,000 patients. The Committee has specifically added money so that this program can be expanded.

*Pediatric, adolescent, and maternal AIDS.*—AIDS has now become a major cause of death among children and adolescents. NICHD-AIDS research is investigating the extent of the AIDS epidemic in women, infants, children and adolescents; the transmission of the virus from mother to child; the effect of the virus on fetal and child development; methods to prevent the onset and progression of the disease in HIV-infected children; AIDS treatment; approaches to understand and modify behaviors and attitudes that contribute to the spread of AIDS; and methods to prevent the sexual transmission of the AIDS virus.

The NICHD has started a major clinical trial to study the effectiveness of intravenous gamma globulin in the treatment of children ill with HIV infection. This study is trying to determine if gamma globulin will reduce the incidence of opportunistic infections in infected children, slow the progression of the disease, or prevent other problems associated with AIDS. More than 250 children have been enrolled in the study, making it the largest clinical trial involving HIV-infected children anywhere in the world.

The Committee applauds the NICHD commitment to providing \$2 million in resources to Pediatric AIDS research laboratory and instrumentation needs, but believes that this commitment is far from adequate. The Committee also encourages the NICHD to increase funding supporting research in early diagnosis methods, and in assisting established centers dedicated to Pediatric AIDS work to expand their capacity to undertake treatment and research at multiple sites.

Therefore, the Committee recommends that funds be set aside from the NICHD budget to assist in improved laboratory instru-

mentation and equipment needs of pediatric AIDS centers, as well as to support expanded site capacity and early diagnosis research. The Committee suggests that funds be set aside for centers located in urban areas with high sero-positive AIDS prevalency rates in newborns, which are dedicated to primarily serving minority and disadvantaged populations, and where there is already evidence of NIH-supported research and training, as well as support and collaboration with and from State and local agencies.

*Pediatric Research Centers.*—The Committee often has expressed its concern about the special health care needs of our nation's children and is pleased to follow recent strides that have been made in the scientific and medical community to reduce infant mortality and prevent lifetime impairments. These advances demonstrate the dramatic possibilities for improving the prevention and treatment of birth defects and children's health in the United States and throughout the world.

Child health research has been slowed, however, because there are only a few medical centers equipped to explore the opportunities that exist in this field of research and to apply them directly to the needs of children. The Committee encourages the Institute to explore the establishment of a child health centers program with grants to be awarded to academic/clinical medical institutions whose primary mission is the care of children. The program would build the research capacity, overall or in targeted areas of excellence, of such centers. Support would not only be provided for essential pediatric research, but grantees would enhance their ability to compete for other public and private funding.

*Learning disabilities.*—The Committee is pleased with the progress made under the leadership of NICHD toward implementing the recommendations of the Interagency Committee on Learning Disabilities. It is this Committee's understanding that grants for two new learning disabilities research centers will soon be announced by NICHD and that NINDS will make research grant awards for related program projects. The Committee has included sufficient funding in its recommendations to support continued implementation of the research recommendations of the Report to Congress. Funding has been included in the bill for the establishment of a third new interdisciplinary research center on learning disabilities.

#### NATIONAL EYE INSTITUTE

The bill includes \$240,636,000, an increase of \$1,162,000 over the amount requested and \$9,344,000 over the comparable 1989 appropriation.

*Mission.*—The NEI conducts and supports basic and clinical research and training to prevent, diagnose, and treat eye diseases and visual disorders, many of which result in blindness.

*Retinoblastoma.*—Last year, the Institute reported that vision scientists were the first to isolate and clone the retinoblastoma gene. Recent studies have shown that the loss of this gene, which normally suppresses the growth of the retinoblastoma tumor, is also associated with other tumors including breast cancer, small cell cancer of the lung, and bone cancer. Experiments have shown

that one can grow cells from a retinoblastoma tumor in tissue culture, insert the missing normal gene using recombinant DNA technology, and convert the cancerous cells into more normally growing cells. These findings with continuing research hold promise for early diagnosis, treatment, and genetic counseling for retinoblastoma and other cancers.

*Degenerative retinal disorders.*—Scientists have successfully transplanted cells from normal rats to the eyes of adult rats that had developed a degenerative retinal disease. The transplanted cells stopped the degeneration and rescued populations of nerve cells that otherwise would have died from the inherited disorder. Research of this nature may accelerate the development of cell replacement therapy for damaged or degenerated retinal cells in patients with retinitis pigmentosa, age-related macular degeneration, and other retinal disorders.

*Cataract.*—Preventing cataract would greatly improve the quality of life in the aging population. Emphasis has been placed on the natural history of cataract, development of animal models, and studies to develop and test the efficacy of new antioxidants that may protect against the gradual oxidative changes in lens proteins associated with aging-related cataract formation. Studies in this latter area appear to be promising.

*Glaucoma.*—Primary open-angle glaucoma is the second leading cause of blindness in the elderly and the single most important cause of blindness among black Americans. Research into how fluid leaves the eye and the mechanisms controlling ocular pressure have been enhanced with the application of new techniques in cell biology. These techniques will also be used to examine the optic nerve, allowing for early diagnosis and prospective natural history studies of glaucoma.

*Retinopathy of prematurity.*—The Institute reported that cryotherapy, freezing eye tissue with a cold probe, can protect premature infants against retinal damage from retinopathy of prematurity and possibly from a lifetime of blindness. Long-term benefits of cryotherapy are being addressed in a follow-up study of treated infants.

*National Eye Health Education Program (NEHEP).*—A planning conference for the NEHEP was held in March. Participants recommended a health education program leading to increased awareness for those at risk for glaucoma and stressing the importance of early detection and appropriate treatment for glaucoma and diabetic retinopathy. Through NEHEP, the Institute plans to enhance support for clinical research into glaucoma and other diseases.

The Committee is looking forward to full implementation of the National Eye Health Education Program and encourages the Institute to expand the scientific knowledge for health promotion activities in glaucoma and diabetic retinopathy. Plans to support two clinical trials are a high priority. One study will evaluate when and how best to treat glaucoma in blacks; the other will compare medical treatment to see which offers a better outcome, including improved quality of life.

Last year, when the Committee initiated this important program, positions for the NEHEP were added. The Committee notes that two positions have been assigned to this program, but the Insti-

tute's total staffing has declined from 217 FTEs in FY 1988 to 207 FTEs in FY 1990. Moreover, these positions were lost from the intramural program. It was not the Committee's intention to mount the NEHEP at the expense of ongoing research. The Committee's recommendation includes funds to support these FTEs and expects the NIH to provide administrative ceiling to add 2 research positions.

The Committee believes that blindness from both glaucoma and diabetic retinopathy can be greatly reduced in this Nation with an effective education and prevention program. Glaucoma is the leading disease causing blindness and is clearly preventable.

#### NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

The bill includes \$232,479,000, an increase of \$1,631,000 over the amount requested and \$8,784,000 over the comparable 1989 appropriation.

*Mission.*—The NIEHS conducts and supports research to identify agents in the environment that can pose a potential hazard to human health and to learn how these agents act.

*Research highlights.*—Research includes development of techniques to differentiate between environmentally caused illness and other causes of chronic disease. For instance, the NIEHS scientists are probing the genetic material inside cancerous cells in search of oncogenes that could have only been "turned on" by an environmental chemical. New information about human fertility rates were recently reported by the NIEHS scientists. Using a new, sensitive laboratory test, they found that almost one-third of normal women suffered miscarriages. Twenty-two percent of miscarriages occurred within two weeks of conception and usually the woman was not aware she had conceived. This study provides baseline data for use in studies of the reproductive effects of exposures to hazardous substances in the environment. Studies are being conducted to distinguish between the risks of lung cancer from radon gas and cigarette smoke in homes in order to define the real risks of radon. Research results in the environmental health sciences do not always give cause for alarm. Last year, as in earlier years, we did not find evidence for cancer in toxicologic studies of common chemicals to which nearly all of us are exposed, including the yellow paint on pencils, the antibiotics ampicillin and tetracycline, and vitamin C.

*Sustained research.*—The NIEHS will continue research on such hazards as air pollutant and acid aerosols, contaminated ground water, and heavy metals—particularly lead, mercury and cadmium. This basic research is used by physicians and public health officials to protect inner city children, farm families in the midwest, people with disabling conditions such as asthma, and laborers in a variety of industries vital to the American economy. Last year's findings that lead exposure during pregnancy and in young children at very low levels caused various subtle neurological damages, including behavioral changes and IQ loss, have been extended. Recent NIEHS-sponsored conferences on effects of air pollution, lead, and measuring body lead burdens, have transmitted this research to various public and medical professionals.

The Committee continues to be concerned about the problem of lead exposure to children. Within additional resources provided, the Committee encourages the Institute to support additional research into the effect of lead poisoning and its treatment.

The bill includes funds to continue support of ongoing efforts to assess and interpret data related to the biological and clinical effects of chemical and physical agents in our environment.

*New initiatives.*—Alarming reports of ozone depletion in the stratosphere and global warming are international environmental problems and may carry with them new threats to the public health. The NIEHS will convene a conference in which environmental scientists, in collaboration with experts in atmospheric chemistry and meteorology, will assess needs and opportunities for basic environmental health research. The NIEHS has also found that two proposed chemical substitutes for chlorofluorocarbons, compounds implicated as causes of global warming, are carcinogenic. As a result, the manufacturer decided not to go forward with production. In another development, the common white rot fungus which grows naturally on wood has been shown to safely detoxify a variety of dangerous man-made chemicals found in hazardous wastes. This finding could prove useful in dumps and waste treatment systems.

#### NATIONAL INSTITUTE ON AGING

The bill includes \$241,528,000, an increase of \$11,038,000 over the amount requested and \$18,683,000 over the comparable 1989 appropriation.

*Mission.*—The NIA conducts and supports research, research training and health information dissemination for the biomedical, behavioral and social aspects of aging. Research on Alzheimer's disease continues to be of the highest priority to the NIA.

*Alzheimer's disease.*—Advances made in the understanding of Alzheimer's disease (AD) are pointing to new possibilities for prevention, diagnosis, and treatment. Research findings indicate the potential use of nerve growth factors (NGF) to help counteract neurotransmitter activity and consequent loss of cognitive function due to cell degeneration in AD patients. Recent studies show other growth factors can correct damaged brain function in experimental animals, offering the prospect for correcting or halting brain damage in AD. Diagnostic procedures developed through the Alzheimer's Disease Research Centers (ADRC's) and data network supported by the NIA have proven 100 percent accurate when the diagnosis of AD was confirmed at autopsy. There is also new insight to possible infectious agents and/or toxic substances which may cause cell damage in AD. Preliminary results should be available soon from the on-going clinical trial on the safety and efficacy of tetrahydroaminocridine (THA) as a potential treatment for Alzheimer's disease. There are now ten to fifteen additional experimental drugs which appear ready for similar testing.

The NIA's Alzheimer Disease Education and Referral Center will be operational by this summer to gather, maintain, and disseminate information on AD research and services. Other initiatives on AD include the development of a tissue bank center and a major



collaborative effort to support research on the burdens of AD caregivers.

The Committee considers Alzheimer's disease to be one of the most important health problems facing this country. It is the intention of the Committee that the majority of funds added by the Committee be used to expand Alzheimer's research. These funds should allow the Institute to expand the National Alzheimer's Education Program and its program of caregiver education, to initiate additional State Alzheimer's Education Program demonstration projects, to increase research on special older populations such as the oldest old and rural and minority elderly, and to support additional Alzheimer's Disease projects.

*Long-term care.*—The NIA supports research in medical, social and behavioral aspects of long-term care for older persons. Current studies include research on the interactions between formal and informal health care, active and dependent life expectancy, and the effect of changes in the American family on intergenerational relationships and support capabilities, as well as the design and testing of clinical trials for interventions to reduce the need for long-term care, especially in the areas of frailty, falls and fractures. The NIA supported Teaching Nursing Homes and AD Research Centers each conduct research relevant to long-term care. The Institute continues its support of data bases to assess and evaluate health care services and informal supports.

*Rural health populations.*—Two of the NIA's Established Populations for the Epidemiologic Study of the Elderly are providing longitudinal information about the health and functioning of older, rural Americans, and three of the seven AD patient registries are collecting data on rural population areas. A panel that was convened to consider the feasibility of and establish guidelines for rural health centers recommended that the NIA establish three to four centers. In their view, due to the cultural and economic diversity around the country, no one center would be able to address the varied issues involved. These centers would focus on such areas as the health implications and consequences of diverse biomedical, cultural, and social features inherent in rural areas of the United States and the roles of rural environments on health and well-being of older people.

*International and cross-cultural studies.*—The NIA, in conjunction with the World Health Organization, continues the development of comparative studies around the world in such diverse fields as dementia, immunological function changes with aging, osteoporosis, and in general health and well-being. Recent evidence suggests that AD and vascular dementia vary significantly between populations in America and Japan, and that AD is less common in Africans, age for age, than in Caucasians.

*Geriatric research training.*—The NIA, to increase career development for academic leadership in aging, continues to stress the importance of training investigators and educators in all aspects of aging research and geriatrics. In response to this initiative, the NIA expects to fund one Geriatric Research and Training Center in FY 1989. The NIA has also initiated the Geriatric Research Institutional Training and the Geriatric Academic Program which will

provide a continuum of support from the fellowship to the faculty level.

*Understanding aging.*—To understand the processes of aging itself, NIA-supported molecular biological studies using various cell systems are identifying proteins, messenger RNAs, and the genes which control them, which appear responsible for the limited life spans of cells. These genetically controlled senescent proteins may also be related to the inhibition of oncogenes which, when not inhibited, lead to cancer.

*Behavioral and social science research.*—Another priority is to understand how to achieve more productivity in later years and how to assist people in continuing whatever life style they want, including the opportunity to continue in productive work. The NIA is proposing to renew the longitudinal health and retirement history survey to obtain better information on the impact of health and retirement practices on function in later years.

#### NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

The bill includes \$171,673,000, an increase of \$3,085,000 over the amount requested and \$11,658,000 over the comparable 1989 appropriation.

*Mission.*—The NIAMS conducts and supports basic and clinical research and research training on a broad range of diseases, including the many forms of arthritis, diseases of the musculoskeletal system, diseases of the skin and on the normal structure and function of joints, muscles, bones, and skin.

The Committee continues to be impressed with the ability of the Institute's grants program to attract very high quality research proposals. However, the Committee is concerned with the disparity between the continued high quality of applications in arthritis and musculoskeletal and skin diseases, and the low funding cutoff for the Institute relative to other NIH institutes.

In order to capitalize on the opportunity for significant advancement in these fields and to raise the Institute's award rate, the Committee has added funds, to the President's request.

*Osteoporosis.*—Advances reported in research related to osteoporosis indicate estrogen replacement therapy prevents the accelerated loss of bone and resultant bone fracture that characterize osteoporosis. A new marker has been identified for bone turnover which offers promise as a tool for noninvasive evaluation of the metabolic status of bone. A new method for measuring bone density, known as DEXA, is faster, more accurate, and less expensive.

*Lyme disease.*—Lyme disease is being reported with increasing frequency across the country. A scientific workshop, cosponsored by the NIAMS and the NIAID, produced a broad range of recommendations for new research which are being embodied into research initiatives. The increase recommended by the committee should allow for a significant increase in funding directed at this disease.

*Rheumatoid arthritis.*—Infectious agents may play a role in causing rheumatoid arthritis and other rheumatic diseases. The NIAMS is encouraging additional research in this area. Research

on rheumatoid factors has uncovered new approaches to investigating changes in the immune system in rheumatoid arthritis.

The Committee applauds the NIAMS for its recent program announcements on the infectious etiology of arthritis, and on antibiotic therapies for arthritis. The Committee encourages the NIAMS to continue to expand its investigation of the possible link between rheumatic disease and a number of infectious agents including mycoplasmas.

Systemic Lupus Erythematosus (lupus) is an immune-related disease that affects the body's organs in various combinations. The vast majority of people with lupus, about 90 percent, are women in the child bearing age. Lupus is three times more likely in black women than in white women.

Lupus affects blood cell counts and antibody production, and these antibodies attack healthy tissues and organs. Joints, kidneys, lungs, the brain and the heart can be affected. The cause is unknown and there is no cure for lupus, but in some cases it can be controlled. However, lupus results in 5,000 deaths annually.

The Committee urges the National Institute of Arthritis and Musculoskeletal and Skin Diseases to continue its active support for research on this disease.

*Immunology.*—A major scientific advance has been achieved in the Institute's intramural research program. Culminating 16 years of research, Dr. Henry Metzger and his colleagues succeeded in cloning and sequencing the gene for the three subunits that make up the receptor for the antibody, immunoglobulin E. This receptor is the key component to which antibodies bind in allergic reactions. This may lead to new methods for treating allergic disorders and for understanding the mechanisms of action of other antibodies in immune-mediated diseases.

*Scleroderma.*—Research supported by the NIAMS has resulted in identification of two autoantibodies in individuals suffering from scleroderma. Several new drugs have proven effective or promising in treating the blood vessel pathology of scleroderma. A new animal model, the tight skin mouse, is available for studying the increased accumulation of collagen in the skin.

*Musculoskeletal fitness and sports medicine.*—The NIAMS is encouraging research efforts to maximize the value of exercise and sports programs. A scientific workshop on sports medicine was held in Moscow as part of the U.S.-U.S.S.R. Cooperative Program in Health. Research in muscle biology provides an understanding of how muscle develops and functions normally, and how it goes awry in disease. This knowledge is essential for other research areas including those of musculoskeletal fitness and sports medicine.

*Joint replacement.*—A new method has been developed to study the interaction between implantable biomaterials and bone. This provides a useful approach to observing cellular responses to implantable biomaterials.

*Low back pain.*—Researchers have made progress in understanding age-related changes in the intervertebral discs. Degenerative changes in discs have been documented in young adults and may explain the disc disorders that cause many cases of low back pain. Last May, a workshop on low back pain assessed progress in low

back pain research and developed 63 recommendations for future research.

*AIDS.*—Investigators reported that the immune processing cells of the outer layer of skin, the Langerhans cells, harbor the virus in HIV-infected people. These cells may serve as a reservoir for the virus, and play a role in the spread of the virus to other tissues of the body. The NIAMS is collaborating with Walter Reed Army Medical Center on studies of the skin changes associated with HIV infection in the Army personnel.

*Bone Disease.*—The Committee is interested in the scientific progress being made in our understanding of bone and mineral-related diseases which affect millions of Americans, both young and old alike, ranging from congenital disease to osteoporosis and Paget's disease. The Committee is aware of increasing research opportunities into the causes, prevention and treatment of such diseases and requests that the Institute specifically address this issue in its 1991 budget submission and that it be prepared to testify on this matter at the hearings.

*Alopecia.*—The Committee is pleased with the direction that the Director of the National Institute of Arthritis and Musculoskeletal and Skin Diseases is taking with regards to planning a research program to investigate alopecia areata, and its related diseases. The Committee is well aware that over two million people suffer from this condition, and that the Director's initiative to convene a special symposium is an excellent first step.

*Epidermolysis bullosa.*—The Committee has heard compelling testimony about the devastating effects of epidermolysis bullosa (EB), a severely painful and debilitating inherited skin disease that resembles third-degree burns.

Research in dermatologic diseases continues to provide important insights into understanding some of the basic defects of EB, although the definition of special biochemical abnormalities in most form of EB still remains unknown.

During the past two years, large numbers of patients have been enrolled into the National EB Registry, supported by the NIAMS, and efforts are now underway to analyze some of this data. The registry is a patient identification system designed to facilitate basic and clinical investigations and provide information on the genetics and epidemiology of EB.

The Committee continues to be concerned about the complex nature of EB and its impact on its victims, their families and society. The problems of EB are those of genetics, development and differentiation, wound-healing, tissue-tissue interactions, mucous membrane involvement, internal organ systems, carcinogenesis, and undoubtedly many more. A largely unexplored, but very promising area for focus in EB research, is the use of genetic mapping, both to identify the genes for the various types of EB and at a more clinical level to identify individuals at risk for carrying these genes.

In view of the medical, emotional and financial burden caused by EB, the Committee encourages the Institute to strengthen and support a multidisciplinary research effort that will more effectively deal with the problems of EB.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION  
DISORDERS

The bill includes \$99,952,000, an increase of \$50,000 over the amount requested and \$5,119,000 over comparable 1989 appropriation.

*Mission.*—The NIDCD conducts and supports basic and clinical research, training and information dissemination in the areas of hearing, voice, speech, language, balance, taste, smell and other communication disorders which affect nearly 30 million Americans. The Committee is pleased that the new institute has included in its mission a focus on communication disorders in multicultural populations.

*Basic research.*—Basic scientific studies constitute the foundation of clinical and applied research in the communication sciences. The NIDCD will continue to encourage and support basic research in hearing, balance function, speech, language and other communication sciences. Particular emphasis will be placed on the application of the relatively new and rapidly expanding techniques of molecular and cell biology.

*Clinical research.*—The Institute continues to support work in the areas of cochlear implants, and central nervous system prostheses, in order to bring hearing to profoundly deaf individuals. The NIDCD researchers are also developing a vaccine for the prevention of otitis media, an inflammation of the middle ear, which affects approximately 70 percent of the children in America.

*Research training.*—Currently, only 50 physicians trained in otolaryngology perform research in the U.S. The NIDCD will encourage training of both pre- and post-doctoral candidates on individual and institutional training grants, and in multidisciplinary centers in order to address current and future manpower needs. There are pertinent differences in the prevalence, etiology, and manifestations of speech, language and hearing disorders among minority populations. The NIDCD will encourage the recruitment of minority candidates for research and clinical training to study these areas.

*Genetics.*—The NIDCD plans to develop a molecular genetics based approach to the diseases within its mission. A concept plan has been submitted to the NIH for the establishment of a molecular genetics laboratory and clinic in the intramural research program. A transgenic mouse, carrying a genetic mutation affecting inner ear development, has been created; it provides direct access to the identification and characterization of those genes critical to the development of the inner ear.

*Population-based studies.*—The NIDCD will support population-based research in order to gather much needed information on the incidence and prevalence of communication disorders.

*Clearinghouse and database.*—The NIDCD is establishing a pilot program for a National Information Clearinghouse to disseminate information to the public, industry, and medical and research communities about advances in communication sciences and disorders research.

*Sign language.*—The NIDCD will continue research studies in the breakdown of sign language in stroke and head injury victims.

Research in this area has shown that sign language, a motor function, actually originates in the area of the brain responsible for language. Researchers are attempting to examine the basic principles underlying the specialization of the two cerebral hemispheres of the brain and the modification of their functions.

#### DIVISION OF RESEARCH RESOURCES

The bill includes \$356,128,000, an increase of \$48,172,000 over the amount requested and \$2,204,000 under the comparable 1989 appropriation.

*Mission.*—The DRR supports the research and development of specialized extramural biomedical research facilities and environments, as well as their continued administration. The DRR is the focal point within the NIH for identifying and providing many of the major infrastructure programs for the NIH and the PHS supported research. The Committee was informed that the NIH is proposing to merge the DRR with the Division of Research Services, an intramural resource component of the NIH.

*Clinical research.*—Through this program, the DRR supports the 78 general clinical research centers. The program's primary mission is to provide clinical research infrastructure for research in all areas of interest to the NIH. These Centers are present in 56 of the 127 medical schools, and provide over 90 percent of the NIH funds to meet research patient care costs. In FY 1988, nearly 6,600 investigators received \$512 million from the NIH for primary research support, to conduct approximately 4,600 research projects at the Centers.

*Biomedical research technology.*—This program supports the development of applications of advanced technology to biomedical research; and access to, and training in the use of, these technologies. Most of these technologies come from the fields of mathematics, physics, engineering and computer sciences. Examples of accomplishments in this program include the development of statistical models for study of aspects of epidemics of infectious diseases, occurrence of chronic diseases, methods of genetic ascertainment, and learning and pattern recognition by synthetic neural networks. These simulations will be used to study transmission of human immunodeficiency virus (HIV) and the progression of related diseases such as AIDS.

*Laboratory animal sciences and primate research.*—This program supports research and resource activities which make use of laboratory animals and other biological models in research projects more efficient and effective. The seven regional primate research centers are the foci for research in AIDS, infectious diseases, neurology, and other areas of the NIH research in human and non-human primate disease, in which non-human primates are critical research subjects. The program continues to assist institutions to develop and improve animal resources. Projects support development of models of human diseases, research on animal diseases, animal facility improvement projects and training in laboratory animal medicine, among others. The Biological Models and Materials Resources (BMMR) section of the program supports research and resources to provide nonmammalian organisms to the biomedical re-

search community. The Committee is fully supportive of this effort and has added sufficient funds to double research in this area.

*Biomedical research support.*—The three components of this program strengthen and enhance research environments in the nation's major research intensive institutions. The Biomedical Research Support Grant program provides for local decisions about the emphasis, direction, content, and quality of biomedical research. This activity is not included in the FY 1990 budget request. The Shared Instrumentation Grant program awards funds to acquire state-of-the-art, complex instrumentation to be shared by groups of investigators at research institutions. The Minority High School Student Research Apprenticeship Program will support 1,140 students to undertake summer research experiences in FY 1990 at institutions which receive either the BRSG or the Minority Biomedical Research Support grant.

The Committee will partially restore funding for the regular biomedical research grants (BRSG's) to a level of \$44.4 million which is \$10 million less than last year. While the Committee is supportive of this program, current budget limits have made it impossible to fully restore it to the 1989 level. The Committee also notes that funding for this program has been a low priority for the Director of NIH.

*Minority biomedical research support.*—An estimated 98 grants will be made to support approximately 750 research subprojects either at minority institutions, or at majority institutions with large numbers of minority students. In both cases, students are salaried participants in the research. Over 16,000 students have participated in projects supported in this program. About 80 percent of those students earning a bachelor's degree elect to continue into graduate or health professional school. The Committee has been particularly impressed with the Minority High School Apprenticeship program and has included a small increase for this program.

*Research on AIDS.*—At least 50 of the 78 general clinical research centers will host AIDS research in FY 1989. During the past year, there was a 50-percent increase in the number of AIDS research projects conducted, involving a 3-fold increase in outpatient visits and a 2-fold increase in inpatient research days. The Laboratory Animal and Primate Research Program will continue its emphasis on research in both AIDS and Simian Acquired Immunodeficiency Syndrome (SAIDS), the Chimpanzee Breeding and Research Plan, and the breeding of rhesus monkeys for AIDS research.

#### NATIONAL CENTER FOR NURSING RESEARCH

The bill includes \$32,969,000, an increase of \$2,000,000 over the amount requested and \$3,837,000 over the comparable 1989 appropriation.

*Mission.*—The NCNR supports and conducts basic and clinical research, research training, and information dissemination related to nursing and the improvement of patient care.

*Research programs.*—Patients in all health care settings, such as recovering cardiac patients, HIV-positive patients, and patients in rural settings, have different problems which have been successfully addressed by nursing research. Nurse scientists supported by the

NCNR are making important discoveries in the intensive care of low birth weight infants, leading to faster growth and earlier hospital discharge. Special attention is being given to research on the care of the frail elderly, with emphasis on mobility and prevention of falls. In addition an initiative has begun on the subject of the burden of care and the family caregiver role, particularly in families caring for Alzheimer's disease patients.

The Committee is pleased that the National Center for Nursing Research (NCNR) is addressing major concerns, including initiatives in the areas of recruitment and retention, research training, minority needs, and caregiver research for families caring for patients. All of this is necessary to improve the quality of nursing research and nursing care, at a time when our population is aging.

*Research centers.*—The NCNR has initiated a research centers program to promote basic and clinical research within an interdisciplinary context, to provide an environment for research training, and to investigate specific research areas of concern to the Center.

*Collaborative Intramural Research Program.*—The NCNR has begun a special collaborative program to conduct clinical nursing studies on the care of AIDS patients.

*Research training.*—This initiative will focus on increasing the number of predoctoral and postdoctoral awards for nurses. Specific emphasis will be placed on increasing the postdoctoral opportunities for nurses, and increasing the cadre of minority nurses in research training.

*National Commission.*—The Secretary's Commission on Nursing was established by Secretary Bowen in 1988, under Public Law 92-463, for a period of six months ending June 30, 1989, and was recently extended by administrative action through September 30, 1989. The Committee intends that the Secretary allocate \$275,000 to be transferred from this account, to maintain the Commission on Nursing for a period of one year, ending on September 30, 1990.

#### NATIONAL CENTER FOR HUMAN GENOME RESEARCH

The bill includes \$62,000,000 as an initial appropriation for the newly established National Center on Human Genome Research. These funds were originally requested under the budget for the National Institute of General Medical Sciences and the Office of the Director but have been included in a separate account at the request of the NIH. The amount recommended is \$34,431,000 above the comparable appropriation for 1989 but \$38,000,000 below the budget request. The Committee believes this is a more appropriate funding level for the new center.

Over the past 20 years, the NIH has supported a variety of studies that provide the groundwork for its new initiative to characterize the genomes—the complex genetic endowments of humans and other complex organisms. As part of this initiative, in FY 1988 the NIH awarded 63 research grants totaling \$17.2 million for gene mapping and genome analysis. Research grants will be supported at approximately \$27.6 million in FY 1989.

The Genome project is an expensive but extraordinarily promising area of biomedical research. The Committee will expect a comprehensive spending plan prior to hearings on the 1991 budget.



## JOHN E. FOGARTY INTERNATIONAL CENTER

The bill includes \$15,579,000, an increase of \$47,000 over the amount requested and \$1,577,000 over the comparable 1989 appropriation.

*Mission.*—The Fogarty International Center (FIC) promotes and supports biomedical research internationally through its research awards and global liaison activities.

*International research and awards programs.*—These programs support junior and senior biomedical scientists in the U.S. and abroad, to conduct research through international collaboration on the most prevalent diseases which burden the people of the world and endanger the health of Americans.

*International coordination and liaison program.*—This program provides policy guidance, coordination, and general oversight of the NIH's international health programs; and administers the NIH's participation in 72 formal agreements with 39 countries. These agreements offer research opportunities on the most important health problems to the U.S. and the world.

*International advanced studies programs.*—These programs are concerned with the development of new research strategies for treatment and prevention of those diseases that persist as major health problems worldwide; for example, primary hepatocellular carcinoma, non-A/non-B hepatitis, genetic diseases and oral health.

*AIDS.*—The FIC's AIDS programs support international research training in the epidemiology, diagnosis, prevention and treatment of AIDS for domestic and foreign scientists, with emphasis on scientists from developing countries. These programs will enhance skills required for the testing of drugs and vaccines as well as prevention research.

## NATIONAL LIBRARY OF MEDICINE

The bill includes \$83,311,000, an increase of \$4,582,000 over the amount requested and \$8,898,000 over the comparable 1989 appropriation.

*Mission.*—The National Library of Medicine (NLM) serves as the Nation's information resource for medical education, research, and service activities of Federal and private agencies, organizations, institutions, and individuals. Recent changes in the NLM's authorizing legislation resulted in an expansion of responsibilities in biotechnology, AIDS, and outreach. Significant activities are underway in each of these areas.

*Biotechnology Information Center.*—The National Center for Biotechnology Information will provide enhanced biotechnology information services to assist researchers in analyzing, recording, and retrieving genetic molecular data accurately and comprehensively. The Library is now building an online directory of biotechnology databases that will help scientists to locate not only molecular biology information but also such resources as tissue banks, clone libraries, and enzyme data banks.

*AIDS.*—The NLM has created AIDSLINE, an online bibliographic service on the clinical and research aspects of AIDS and related diseases, organisms, drugs, epidemiology and health policy issues. The Health Omnibus Programs Extension Act calls for the Li-

brary's involvement in the establishment of a data bank of information on the results of AIDS research conducted in the U.S. and abroad. The NLM will expand AIDSLINE to include citations from other important databases, private sector information sources and AIDS conference abstracts. The NLM is also assisting in designing databases and distributing AIDS clinical trials information for online access over the NLM network.

*Outreach.*—The NLM's statutory responsibility was revised to include authority to publicize the availability of its products and services. In response to this directive, the Library's Board of Regents established an Outreach Planning Panel to advise the NLM in this area. The Panel includes experts in management, health, and information from public and private sectors. The Panel recommended that the NLM strengthen and revitalize some very specific ongoing programs including the Regional Medical Libraries, Integrated Academic Information Management Systems grants, research training and fellowships, and intramural development of new and the improvement of existing products and services. The Committee intends that a significant portion of its increase for the Library be allocated to expanding these outreach programs.

The Committee is concerned that the Historically Black Colleges and Universities have not participated fully in the services of the National Library of Medicine. The Committee urges NLM to work closely with HBCU's and encourage applications from these institutions.

#### OFFICE OF THE DIRECTOR

The bill includes \$106,987,000, an increase of \$11,329,000 over the amount requested and \$38,764,000 over the comparable 1989 appropriation.

*Mission.*—The Office of the Director (OD) supports the central policy and administrative offices of the NIH that are essential for a coordinated research effort. The OD develops research policy for the intramural and extramural programs and administers centralized administrative services such as personnel and financial management.

*Offices of Scientific Integrity and Minority Programs.*—The appropriation includes funds to establish two offices: the Office of Scientific Integrity to promulgate policies and procedures designed to safeguard the integrity of research conducted and supported by the NIH; and the Office for Minority Programs to develop a NIH-wide plan for minority research and training.

The Committee has included a total of \$16.3 million for the Research Centers in Minority Institutions Programs within the Office of the Director. The Committee believes that the RCMI program is an effective mechanism to strengthen the research capabilities of minority institutions. The Committee is aware that NIH has begun exploring the concept of Institute co-funding of RCMI projects. The Committee believes that the additional interaction and support of the Institutes would hasten the development of the research infrastructure of these institutions and encourages NIH to implement co-funding. The Committee also urges NIH to reconsider its policy of not counting RCMI funds toward the Biomedical Research Sup-

port Grant eligibility, since the RCMI program now supports pilot projects.

*AIDS.*—The Committee has approved the budget request for AIDS-related research activities. Programs include the AIDS Intramural Targeted Antiviral Program for the treatment of AIDS; bioethics and biosafety in AIDS research; AIDS-related research through the RCMI program; and the Office of AIDS Research (OAR), NIH. The OAR serves as the NIH focal point for priority activities related to intramural and extramural AIDS research.

*Director's discretionary fund.*—The Committee has not approved the Budget request for a contingency reserve of \$25 million. The Committee believes there are clear requirements for these funds throughout the NIH and has therefore distributed these funds based on its perception of scientific opportunity.

*Supercomputer Replacement.*—The Committee recognizes that the current capacity of the supercomputer at the National Institutes of Health needs upgrading in order to expand the ability to undertake state-of-the-art biomedical research. Activities that can be undertaken with an upgraded supercomputer include: investigating and designing more efficient anti-cancer and other drugs, based on more complex molecules; exploiting new crystallographic techniques to study oncogenes and viral proteins; and investigating the structure of the AIDS virus genome to assist in the design of antiviral drugs and vaccines.

Therefore, the Committee recommends an appropriation of \$34 million for the purpose of purchasing an upgraded, state-of-the-art, advanced supercomputer system necessary to support the science base at NIH and the National Cancer Institute's Advanced Scientific Computing Laboratory located at the Frederick Cancer Research Facility. The Committee recognizes that the supercomputer is shared by other NIH institutes, the Department of HHS, and extramural scientists who are performing research appropriate for use of the supercomputer, and expects that to continue. The upgraded supercomputer will replace the present, overloaded supercomputer at NCI's Frederick facility in order to expand its capability and continue its work. The Committee intends that this purchase be completed during fiscal year 1990. This should be done using the normal competitive processes focusing on quality, capacity, appropriateness to current and future usage, and price.

*Radiology.*—The Committee is concerned that there is no focus for intramural research in diagnostic radiology at NIH. During its hearings, the Committee learned of major advances in imaging technology which hold tremendous potential for the expansion of diagnostic radiology in clinical care. In order to capitalize on these promising areas of research, the Committee encourages the Director of NIH to establish an intramural research program for diagnostic radiology within an appropriate institute.

*Affirmative Action Concerns.*—The Committee is disappointed over the lack of progress in recruiting minorities into management positions. The Committee directs NIH to review its recruitment effort and report back to the Committee prior to the FY 1991 hearings on measures it will take to strengthen its efforts in this area.

## BUILDINGS AND FACILITIES

The bill includes \$81,600,000, an increase of \$60,000,000 over the amount requested and \$43,108,00 over the comparable 1989 appropriation.

*Mission.*—This appropriation provides for the NIH construction programs including design, construction, and repair and improvement of the clinical and laboratory buildings and supporting facilities essential to the mission of the NIH. Buildings and facilities funded under this appropriation include those at the main NIH campus in Bethesda, Maryland, with more than 60 buildings and 6 million gross square feet of space; the NIH Animal Center in Poolesville, Maryland; the NIEHS facility in Research Triangle Park, North Carolina; the Rocky Mountain Laboratory in Hamilton, Montana; the Gerontology Research Facility in Baltimore, Maryland; the Primate Facilities in Perrine, Florida; the Frederick Cancer Research Facility in Frederick, Maryland; and other NIH field locations.

*Repairs and improvements.*—This program provides funds for the continuation of repairs and improvements to existing buildings and facilities and to those under design or construction housing research and administrative functions. These activities are essential because of age, constant use, exposure to the elements, and changes in space utilization.

*Construction program.*—The NIH is supporting several ongoing construction projects which include: the modernization of the Clinical Center; the major rehabilitation of six laboratory buildings on the NIH campus that have been operational for 45 years; upgrading animal facilities at the NIH to meet accreditation standards; the design and construction of the Child Health/Neuroscience Facility, related building expansions and utility upgrades; design and construction of the Consolidated Office Building; replacement facilities at the NIEHS in North Carolina; and renovations related to AIDS research. The allocation of the additional \$60 million provided by the Committee among these projects should be done by the Director based on his perception of competing needs. The Committee is particularly supportive, however, of efforts to upgrade the quality of the animal facilities at NIH and expects a substantial amount of these funds to be allocated in this area.

## ALCOHOL, DRUG ABUSE AND MENTAL HEALTH ADMINISTRATION

The bill includes \$1,917,162,000 for alcohol, drug abuse and mental health activities for fiscal year 1990. The amount recommended is \$73,600,000 more than the 1989 appropriation for these programs and \$39,157,000 below the President's request.

The total includes funding for activities related to Acquired Immune Deficiency Syndrome. Consistent with its treatment in the National Institutes of Health accounts, AIDS funding is not separately identified or set aside within the Institute budgets. This will permit scientific managers greater flexibility to allocate research dollars to the most promising areas of science.

The mission of the Alcohol, Drug Abuse and Mental Health Administration (ADAMHA) is to provide a national focus for the Federal effort to increase knowledge about and promote effective strat-

egies to recognize, treat and prevent alcoholism, drug abuse, and mental illness. In support of this effort, ADAMHA maintains intramural research facilities and awards project grants and contracts in support of biomedical and behavioral research, as well as research training, demonstration and prevention programs. ADAMHA also provides grants to States and communities as they operate alcohol, drug abuse, and mental health programs, including those providing assistance to homeless individuals.

The agency consists of three institutes—the National Institute of Mental Health (NIMH), the National Institute on Drug Abuse (NIDA), and the National Institute on Alcohol Abuse and Alcoholism (NIAAA)—and the Office of Substance Abuse Prevention. In addition, the Office of the Administrator is responsible for overall agency management and administration of the block grant programs.

The amount recommended by the Committee for each of the programs and activities funded by this appropriation is shown on the following table, together with the budget request and comparable appropriations for fiscal year 1989:

#### ALCOHOL, DRUG ABUSE AND MENTAL HEALTH

	Fiscal year 1989 comparable	Fiscal year 1990 budget request			Committee bill
		January budget request	Bush revisions	Revised budget request	
Grants to States:					
Consolidated Alcohol, Drug Abuse and Mental Health block grant.....	\$805,594,000	\$800,000,000	.....	\$800,000,000	\$805,594,000
(Set-aside for research and eval- uation, non-add) .....	(40,280,000)	(40,000,000)	.....	(40,000,000)	(40,280,000)
Grants to States for the homeless.....	14,128,000	14,128,000	\$20,900,000	35,028,000	35,000,000
Mental health state planning grants.....	4,730,000	.....	.....	.....	.....
Subtotal, grants to States.....	824,452,000	814,128,000	20,900,000	835,028,000	840,594,000
Drug Treatment Grants.....	75,000,000	25,000,000	.....	25,000,000	25,000,000
New Treatment Grants, crisis areas.....	.....	.....	30,000,000	30,000,000	10,000,000
Mental Health:					
Research.....	354,464,000	389,110,000	.....	389,110,000	389,110,000
Clinical training.....	12,844,000	8,000,000	.....	8,000,000	12,844,000
Community Support Demonstrations.....	25,920,000	19,000,000	.....	19,000,000	26,000,000
Homeless Services Demonstrations.....	4,594,000	.....	11,500,000	11,500,000	6,100,000
Protection and advocacy.....	12,844,000	10,555,000	.....	10,555,000	12,844,000
Direct operations.....	39,229,000	41,628,000	.....	41,628,000	40,628,000
Subtotal, mental health.....	449,895,000	468,293,000	11,500,000	479,793,000	487,526,000
Drug Abuse:					
Research.....	263,539,000	288,489,000	.....	288,489,000	294,569,000
Treatment demonstrations.....	7,000,000	7,000,000	.....	7,000,000	7,000,000
Direct operations.....	17,914,000	21,544,000	.....	21,544,000	21,544,000
Subtotal, drug abuse.....	288,453,000	317,033,000	.....	317,033,000	323,113,000
Alcoholism and Alcohol Abuse:					
Research.....	109,888,000	116,313,000	.....	116,313,000	119,528,000
Substance abuse homeless demon- strations.....	4,545,000	.....	17,000,000	17,000,000	10,000,000
Direct operations.....	9,621,000	10,834,000	.....	10,834,000	10,834,000
Subtotal, alcoholism.....	124,054,000	127,147,000	17,000,000	144,147,000	140,362,000

## ALCOHOL, DRUG ABUSE AND MENTAL HEALTH—Continued

	Fiscal year 1989 comparable	Fiscal year 1990 budget request			Committee bill
		January budget request	Bush revisions	Revised budget request	
Office of Substance Abuse Prevention:					
Prevention programs.....	41,168,000	42,193,000		42,193,000	42,193,000
Community youth activity program .....	15,000,000	15,000,000		15,000,000	15,000,000
New community prevention grants.....			35,000,000	35,000,000	5,000,000
Training.....	5,000,000	5,300,000		5,300,000	5,300,000
Direct operations.....	8,685,000	9,810,000		9,810,000	9,810,000
Subtotal, Substance Abuse Pre- vention .....	69,853,000	72,303,000	35,000,000	107,303,000	77,303,000
Treatment outcome evaluations.....	2,282,000	7,257,000		7,257,000	2,506,000
Buildings and facilities.....	198,000	198,000		198,000	198,000
Program management, ADAMHA.....	9,375,000	10,560,000		10,560,000	10,560,000
Total, Alcohol, Drug Abuse and Mental Health.....	1,843,562,000	1,841,919,000	114,400,000	1,956,319,000	1,917,162,000

*Grants to States*

*Alcohol, drug abuse and mental health block grant.*—For the consolidated alcohol, drug abuse and mental health services block grant, the Committee provides \$805,594,000, which is the same as the 1989 appropriation and \$5,594,000 above the Administration request. The Committee intends that no more than five percent of this total be used for the statutory setaside for services research, data collection and technical assistance.

The Anti-Drug Abuse Act of 1988 revised the existing Alcohol, Drug Abuse and Mental Health Services Block Grant (ADMS) and incorporated into it the Alcohol and Drug Treatment and Rehabilitation Block Grant (ADTR). The new ADMS block grant provides funds to States to support prevention, treatment, and rehabilitation services. The formula for distributing funds to States was changed to phase in a new allocation over a four-year period to target funds to States with larger shares of young, urban populations.

The Committee has not included bill language requested by the Administration which would change the authorizing statute for the block grant by allocating the appropriation according to the 1989, rather than the 1990, formula. This provision is not necessary, since the Committee has not reduced block grant funding below the 1989 level.

*Grants to the States for the homeless.*—The Committee provides \$35,000,000 for State grants for the homeless, the maximum amount authorized by law. This funding is \$20,872,000 above the 1989 appropriation and \$28,000 below the Administration request. These formula grants to States provide assistance to chronically mentally ill persons who are homeless or who are likely to become homeless. Grants are used for activities such as outreach, outpatient community mental health services, referral services, training, and case management services.

*State mental health planning grants.*—No funds have been included in the bill for State mental health planning grants because the two-year authorization for the program has expired. No funds were requested in the President's budget for this activity, which received \$4,730,000 in fiscal year 1989.

#### *Drug treatment grants*

The Committee provides \$25,000,000 for drug treatment grants, which is the same as the Administration request and \$50,000,000 below the 1989 appropriation. The Anti-Drug Abuse Act of 1988 provided a one-time authorization of \$100,000,000 for this program, and as a result, the Committee's action will complete its funding. This competitive grant program provides funds to public and non-profit drug abuse programs to expand treatment capacity, thereby reducing or eliminating waiting lists. To be eligible, applicants must demonstrate that they have experience in providing treatment services, that they currently have waiting lists, and that they will have access to funds to continue their expanded treatment capacity after this one-time Federal grant.

Because of the short-term nature of this program, the Committee urges ADAMHA to give high priority to the eligibility criterion of demonstrating access to non-Federal funding after the close of the grant period.

#### *Treatment grants to crisis areas*

The Committee provides \$10,000,000 for the new treatment grants to crisis areas program proposed by the Administration, which is \$20,000,000 less than the request. While the Administration has not provided the Committee with any details of this new program, in general, it is intended to expand treatment capacity for the indigent, disadvantaged, youth or expectant mothers in selected parts of the country with greatest need. The Committee believes the funds provided will support an appropriate startup level for this new program. The Committee will expect a report prior to its 1991 budget hearings detailing how ADAMHA intends to structure this program and how it will differ from the currently funded treatment grants program.

#### *National Institute of Mental Health*

*Research.*—The bill includes \$389,110,000 for mental health research and research training. This is an increase of \$34,646,000 over the comparable appropriation for fiscal year 1989 and the same as the Administration request.

The NIMH conducts intra- and extramural research spanning the range of basic neuroscience and behavioral research; clinical research, in areas such as schizophrenia, anxiety disorders, mental disorders of the aging, child and adolescent mental disorders, prevention, epidemiology and psychopathology; and mental health services delivery.

Twelve percent of our nation's children suffer from a diagnosable mental disorder, and approximately 80 percent of them do not receive appropriate mental health services. In response to this need, the Institute of Medicine recently issued a report summarizing the current state of knowledge. Great advances are being made in ge-

netics, neuropharmacology, brain imaging and social systems research, which can assist in advancing efforts in the area of prevention and lead to improvements in the treatment of children who are burdened by mental and emotional disorders. Increased knowledge about the causes of these childhood disorders and the development of more effective treatments and preventative interventions are attainable, and vital to the well-being of our nation's children.

The Committee is therefore requesting that the NIMH develop a plan, using the IOM report as a starting point, delineating how the Institute would expand basic, clinical and services research in the area of child mental health, and also describing how the critical shortage of manpower which the IOM identified could be addressed. This report should be submitted to the Committee prior to the fiscal year 1991 appropriations hearings.

The Committee commends the NIMH for its support of research on eating disorders, including research on anorexia and bulimia, and encourages the Institute to continue to expand its efforts in order to gather more accurate epidemiological data, to better understand the etiology of eating disorders, and to discover treatments that work best for patients and prevent relapse. The Committee requests that the NIMH work with the health professions community to promote a better understanding of eating disorders and to enhance early detection and prevention.

The Committee has often expressed its concern that mental health research funds have not adequately addressed the unmet needs of older Americans and encourages the NIMH to ensure that the proportion of funding designated for elderly research is commensurate with both the proportion of elderly in the population and the level of need.

*Clinical training.*—The bill includes \$12,844,000 for mental health clinical training programs, which is \$4,844,000 above the amount requested by the Administration and the same as the comparable 1989 funding level. The Committee has not approved the Administration's proposal to phase out this program. The amount recommended will be used to fund projects to train mental health professionals who are in short supply, such as specialists in geriatric and childhood mental illnesses, and to increase the supply of minority professionals in the mental health field.

The Committee remains supportive of the State Human Resource Development Program and expects the NIMH to maintain funding for this program at 1989 levels. The program should continue to support the development of the States' capacity to assess their workforce problems. The Committee considers the program's efforts to address the workforce needs of special populations such as the seriously mentally ill adult and seriously emotionally disturbed children and youth in community-based service systems, jails, and corrections, and rural areas to be of the highest priority. The Committee also considers training of administrators and managers of mental health systems a high priority.

The Committee continues its strong support for the Minority Fellowship Program (MFP). MFP serves a valuable role in facilitating the recruitment of ethnic minority students into mental health fields, aiding in their financial support, and providing guidance and counseling in their training and entry into professional life. It



has come to the Committee's attention that in some cases, after considerable investment by the MFP program, students do not have the funds necessary to complete their dissertation. The Committee encourages the NIMH to make an effort to help MFP participants receive support enabling them to complete their dissertation.

*Community support demonstrations.*—The Committee has provided \$26,000,000 for community support demonstrations, which is \$80,000 above the 1989 level and \$7,000,000 above the Administration's request. The community support program finances research and demonstration projects that concentrate on either improving mental health service delivery for deinstitutionalized adults or on developing a comprehensive community system of care for mentally disturbed children and adolescents. The Committee does not agree with the Administration's proposal to phase out the program. In addition, while the Committee recognizes the seriousness of the problem of the homeless mentally ill, funds have been added to the Administration request to ensure that projects are not limited solely to the homeless.

The Committee intends that a portion of the increase above the request be used to initiate the prevention services demonstration projects authorized in section 520A(b) of the Public Health Service Act. The Committee encourages the NIMH to give high priority to those projects that emphasize the actual provision of prevention services rather than technical assistance, training, or conferences.

*Homeless services demonstrations.*—The Committee includes \$6,100,000 for mental health services demonstration grants for the homeless, which is \$1,506,000 above the 1989 appropriation and \$5,400,000 less than the Administration request. Demonstration grants are used to provide coordinated systems of mental health, social support and housing services and to test targeted approaches to the mental health needs of homeless children and adolescents who have or are at risk for severe emotional disturbances. The Committee believes the funds provided are sufficient to provide interim support until the findings of the demonstrations in progress are evaluated.

*Protection and advocacy.*—The Committee provides \$12,844,000 for the protection and advocacy program, which is the same as the 1989 appropriation and \$2,289,000 above the Administration request. This program strengthens oversight of State programs to ensure that the rights of mentally ill individuals are protected while they are residents in inpatient facilities and for 90 days following their discharge. The Committee does not concur in the Administration request to phase out Federal funding of the program over the next three years.

*Direct operations.*—The bill includes \$40,628,000 for administration and support costs of the National Institute of Mental Health. This is \$1,000,000 less than the Administration request and an increase of \$1,399,000 over the 1989 appropriation. This account provides support for the administration of the grant and contract programs within extramural research, research training, and clinical training. It also provides staff and operating expenses to support the community support program, homeless services demonstrations

and protection and advocacy activities. This level will support approximately 982 full-time equivalent positions.

#### *National Institute on Drug Abuse*

*Research.*—The Committee recommends \$294,569,000 for drug abuse research and research training, which is \$6,080,000 above the Administration request and \$31,030,000 above the 1989 appropriation.

NIDA supports intra- and extramural research in areas such as the development of new and improved drug abuse treatment agents; the effects of maternal drug use on fetal and infant development; drug prevention; determinants of vulnerability to drug abuse; epidemiology; and services research.

The Committee intends that a portion of the funding provided above the Administration request be used to expand the Institute's drug development activities.

*Treatment demonstrations.*—The Committee includes \$7,000,000 for drug treatment research demonstration projects, which is the same as both the Administration request and the 1989 appropriation. These demonstrations, which were authorized by the Anti-Drug Abuse Act of 1988, support three types of projects: drug treatment and vocational training in exchange for public service; prevention and education activities for incarcerated I-V drug abusers; and treatment for pregnant women, postpartum women and their infants.

*Direct operations.*—The Committee provides \$21,544,000 for NIDA direct operations, which is \$3,630,000 above the 1989 level and the same as the Administration request. These funds support staff responsible for the administrative management of the Institute's research, training and demonstration programs. This level will support 362 full-time equivalent positions.

#### *National Institute on Alcohol Abuse and Alcoholism*

*Research.*—The Committee includes \$119,528,000 for alcoholism research and research training, which is \$3,215,000 above the Administration request and \$9,640,000 more than the comparable 1989 appropriation.

NIAAA supports intra- and extramural research in such areas as genetics; biochemistry and metabolism; biological and behavioral determinants of alcohol abuse; trauma and its interaction with alcohol; alcohol and pregnancy; alcohol-related medical disorders; epidemiology; and treatment.

The Committee encourages the Institute to increase its clinical research efforts to focus on the structural components of treatment in order to evaluate those interventions which promote recovery, avoid relapse and are tailored to the specific characteristics of the patient. The Committee recommends that the Institute consider, if appropriate, entering into contracts with extramural researchers who have access to large patient populations in order to further this effort in a cost-effective manner.

*Substance abuse services demonstrations for the homeless.*—The Committee recommends \$10,000,000 for substance abuse demonstrations for the homeless. This amount is \$5,455,000 more than the 1989 appropriation and \$7,000,000 less than the Administration re-

quest. This program, which is administered by NIAAA in collaboration with NIDA, supports homeless demonstrations that include outreach services; service settings that accept intoxicated homeless persons; treatment and recovery services; case management; transitional housing; and vocational training. The Committee believes the funds provided are sufficient to provide interim support until the findings of the demonstrations in progress are evaluated.

*Direct operations.*—The Committee includes \$10,834,000 for NIAAA direct operations, which is \$1,213,000 above the amount available in 1989 and the same as the Administration request. These funds support staff responsible for the management of the extramural research and research training programs, as well as the grant and contract review process. This level will support 211 full-time equivalent positions.

### *Office of Substance Abuse Prevention*

*Prevention programs.*—The Committee provides \$42,193,000 for prevention demonstration programs, which is \$1,025,000 above the 1989 appropriation and the same as the Administration request. This activity was significantly expanded by the Anti-Drug Abuse Act of 1988 and now includes three types of grants: high-risk youth; pregnant addicts and their infants; and community prevention. In addition, these funds support conference grants and program contracts. High-risk youth grants, which have been awarded since fiscal year 1987, focus on the development of intervention models that address both personal psychosocial risk factors, as well as various environmental risk factors. Grants for pregnant addicts attempt to develop methods for preventing drug abuse among pregnant women, as well as for treating pregnant drug abusers. Community prevention grants are intended to provide long-term, multi-level and multi-disciplinary resources to communities with severe drug abuse problems. The Committee intends that the Office award new grants in 1990 for pregnant addicts and their infants within the funds provided.

*Community youth activity program.*—The Committee includes \$15,000,000 for the community youth activity program, which is the same as both the Administration request and the 1989 appropriation. This program, which was authorized in the Anti-Drug Abuse Act of 1988, is comprised of projects of national significance, block grants to States, and competitive State grants. By law, five percent of the funds must be reserved for projects of national significance, with about 25 percent reserved for the block grant program. Discretionary grants are to have a particular focus, such as reinvolvement of dropouts in educational or recreational activities; outreach for high-risk individuals; and youth involved with gangs.

*Community prevention grants.*—The Committee has included \$5,000,000 for community prevention grants, which is \$30,000,000 less than the Administration request for this new program. The Administration proposes to use authority under section 508(b)(10) of the Public Health Service Act to establish programs to demonstrate the effectiveness of community coalitions of organizations representing parents, schools, businesses, and youth in the development of comprehensive prevention programs. The funds provided will support approximately 25 such community demonstrations,

which the Committee believes is an appropriate level of effort for the first year of the program. The Committee urges ADAMHA to include a rigorous evaluation component in these grants, to ensure that their findings may be applied in other communities.

*Training.*—The Committee provides \$5,300,000 for training activities in 1990, which is the same as the Administration request and \$300,000 above the amount available for this purpose in 1989. This activity supports two types of training: continuing education in substance abuse prevention for counselors, health professionals, social workers and community organization staff; and training of faculty at health professions institutions to develop curriculum models for their schools.

*Direct operations.*—The Committee includes \$9,810,000 for direct operations, which is \$1,125,000 above the 1989 level and the same as the Administration request. This activity supports the program development, monitoring, and management staff for all Office of Substance Abuse Prevention programs, as well as communication efforts such as the National Clearinghouse of Alcohol and Drug Information and the Regional Alcohol and Drug Awareness Resource Network. This funding level will support 75 full-time equivalent positions.

#### *Treatment outcome evaluations*

The Committee provides \$2,506,000 for treatment outcome evaluations, which is \$224,000 more than the 1989 appropriation and \$4,751,000 below the Administration request. This research, which is conducted by both the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism, studies the matching of patients to treatment modalities and problems in enlisting and retaining clients in substance abuse treatment. The Committee has provided funding for the first-year costs of the grants. The Administration had requested two-year funding. The Committee is concerned that this could have set a precedent for asserting that other substance abuse funds provided by the Committee should be spread over a two-year period.

#### *Buildings and facilities*

The bill includes \$198,000 for repairs and improvements to ADAMHA intramural research facilities, which is the same as the 1989 level and the budget request. The recommendation will provide for routine repairs and renovations in clinical and laboratory facilities and allow for essential renovations to animal care facilities in order to meet accreditation requirements.

#### *Program management*

The bill provides \$10,560,000 for program management activities in the Office of the Administrator. This is an increase of \$1,185,000 over the 1989 appropriation and the same amount as the budget request. This recommendation will support the staff responsible for the overall direction and management of ADAMHA, including administrative management, program planning and evaluation, program coordination and public affairs. Funds provided will support 168 full-time equivalent positions.

The Committee requests a report prior to the 1991 appropriations hearings identifying the amount of administrative funding that was tapped from the Institutes and the Office of Substance Abuse Prevention for the Office of the Administrator during fiscal year 1989.

The Committee remains concerned about the lack of minorities in executive level positions in ADAMHA, especially in the homeless and AIDS programs. It is hoped that the agency will redress this situation through vigorous implementation of the affirmative employment program. The Committee requests a report from the agency describing its progress in hiring minorities for executive level positions prior to the 1991 hearings.

The Committee is concerned by questions which have arisen about the agency's commitment to the full range of AIDS research, prevention, and service delivery programs that fall under its mission. The Committee intends for ADAMHA to fully implement its statutory mission with regard to this range of AIDS activities, including services, training and research.

The Committee is concerned that while progress has been made among some populations, substance abuse, AIDS, mental dysfunction and violent behavior continue to increase among low-income and minority populations. The agency should prepare a report for the Committee on strategies under development to address these vulnerable populations.

The Committee wishes to reiterate that the funding provided in the Anti-Drug Abuse Act of 1988 for ADAMHA programs was intended to support activities for a one-year, not a two-year, period. The Administration should not take any action to preclude full obligation of these funds by States or other grantees in 1989.

#### ST. ELIZABETHS HOSPITAL

The bill includes \$18,000,000 for a grant to the District of Columbia to fund the declining Federal subsidy for the hospital. This amount satisfies the requirement of Public Law 98-621 under which the hospital was transferred to District government control on October 1, 1987. It is the same as the Administration request, and \$5,712,000 less than the 1989 appropriation. The hospital continues to be eligible to receive payments from other Federal sources such as Medicare, Medicaid, block grants, and reimbursements for the care of the Federal beneficiaries.

The Committee has not included bill language requested by the Administration which would broaden the purposes for which Federal funds could be used beyond what is permitted by the authorizing statute. The Committee has deleted prior year bill language pertaining to the aggregate funds available to St. Elizabeths, since this provision was permanently enacted in the 1989 appropriations bill.

#### ASSISTANT SECRETARY FOR HEALTH

##### OFFICE OF THE ASSISTANT SECRETARY FOR HEALTH

The bill includes \$95,345,000, an increase of \$11,500,000 over the budget request and an increase of \$35,714,000 over the amount available for 1989. The bill also includes authority to expend

\$1,037,000 from the Medicare trust funds, the budget request and \$5,879,000 under the 1989 amount.

The Committee has deferred consideration of the adolescent family life program and the family planning program because authorizing legislation has not been enacted.

The following table shows in detail the activities funded in this account and the recommendations made by the Committee for each:

#### OFFICE OF THE ASSISTANT SECRETARY FOR HEALTH

	Fiscal year 1989 comparable	Fiscal year 1990 budget request	Committee recommendation
<b>Health Services Research and Technology Assessment:</b>			
Research .....	\$17,112,000	\$12,153,000	\$12,153,000
Trust funds .....	(6,916,000)	(1,037,000)	(1,037,000)
Program support .....	1,660,000	1,693,000	1,693,000
Subtotal including trust funds .....	25,688,000	14,883,000	14,883,000
<b>Population affairs: (unauthorized, not considered):</b>			
Adolescent family life .....	(9,529,000)	(9,529,000)	Defer
Family planning .....	(138,320,000)	(138,364,000)	Defer
<b>Health Initiatives:</b>			
Office of Disease Prevention and Health Promotion .....	4,446,000	4,496,000	4,496,000
Physical fitness and sports .....	1,481,000	1,503,000	1,503,000
Minority health .....	2,564,000	3,022,000	4,522,000
National vaccine program .....			10,000,000
Health Service Management .....	18,698,000	19,630,000	19,630,000
Acquired Immune Deficiency Syndrome (AIDS) .....	13,270,000	41,348,000	41,348,000
Total .....	59,631,000	83,845,000	95,345,000
(Unauthorized, not considered) .....	(147,649,000)	(147,893,000)	Defer

#### *Health services research*

The bill appropriates \$14,883,000 for health services research and health care technology assessment, the budget request. The 1989 appropriation was \$25,688,000. This includes \$1,037,000 to be expended from the Medicare trust funds to support analyses of Medicare reimbursement issues.

The total operating budget for health services research for 1990 is \$46,340,000, an increase of \$1,358,000. This includes funds from this appropriation, AIDS-related funds, the Public Health Service evaluation setaside, and National Research Service Awards.

The National Center for Health Services Research and Health Care Technology Assessment is the focal point within the Federal government for research on the health care delivery system. The mission of the Center is to undertake and support research, demonstrations, and evaluations on problems in the organization, delivery, and financing of health care services; to coordinate health services research within the Public Health Service; and to disseminate the findings of health services research to policy and decision-makers in the public and private sectors.

The tragedy of Alzheimer's disease is one of growing proportion, with potentially catastrophic public health consequences. Under the circumstances, the Committee believes that research to find

more effective and efficient means of service delivery deserves a higher priority. The Committee therefore recommends that additional funds be allocated for research on the costs and cost-effectiveness of various service interventions for individuals with Alzheimer's disease and their families.

The Committee has identified an amount of \$14,681,000 in the bill language to be transferred to this account for carrying out the National Medical Expenditure Survey and the Hospital Studies Program. The funds are transferred from funds available under the Public Health Service one-percent evaluation setaside. These are in addition to funds appropriated directly to the National Center for this purpose.

#### *Disease prevention and health promotion*

For the Office of Disease Prevention and Health Promotion, the Committee recommends \$4,496,000, the budget request and an increase of \$50,000 over the amount available for 1989. This office is the central point within the Department for coordination of policies and programs in health promotion, including education of the public about behavioral and environmental changes that will enhance the prospects for good health.

#### *Physical fitness and sports*

For the President's Council on Physical Fitness and Sports, the Committee recommends \$1,503,000, the budget request and an increase of \$22,000 over the amount available for 1989. The purpose of the physical fitness and sports activity is to encourage the public to improve health through participation in physical fitness and sports activities.

#### *Minority health*

The bill includes \$4,522,000 for the Office of Minority Health, an increase of \$1,500,000 over the budget request and \$1,558,000 over the 1989 appropriation. The Office of Minority Health is the focal point for the implementation and monitoring of recommendations of the Secretary's Task Force on Black and Minority Health and for the formulation and development of policy issues affecting minority health.

The Committee intends that the additional \$1,500,000 and 4 FTE be allocated for direct operations in order to enable OMH to undertake a greater coordinative role. In addition, the Committee remains concerned over the low level of participation of minority institutions in the training and research programs of the Public Health Service. The Office of Minority Health is an untapped resource that can be used to further the goal of increasing minority participation in these programs. The Committee directs the Office to develop and coordinate such an effort across the PHS.

#### *Public Health Service Management*

For Public Health Service management, the bill includes \$19,630,000, the budget request, and an increase of \$932,000 over 1989. This activity provides support for the Assistant Secretary for Health to assure effective guidance, leadership, and direction of the

Public Health Service programs. The funds will support 274 full-time-equivalent staff, the same as 1989.

The Committee would like the opportunity to examine the budgetary implications of any proposed reorganization of the Public Health Service regional offices prior to implementation.

With the passage of the Decade of the Brain Resolution by the House and the Senate, the Committee looks forward to the leadership of the Public Health Service, and its component agencies, in working with the Office of Science and Technology Policy to plan and coordinate the government-wide scientific effort to be undertaken during the 1990's.

The Committee directs the Public Health Service to read and consider the Report of the National Commission on Orphan Diseases, respond to the recommendations contained therein, including the recommendation that a Central Office of Orphan and Rare Diseases be established, and report back to the Committee within 90 days of the enactment of this bill.

#### *National Vaccine Program*

The Committee has included \$10,000,000 for the National Vaccine Program that was established by Public Law 99-660. There was no budget request. Also provided are an additional 24 FTE's to carry out the activities funded here.

These funds will support the National Vaccine Program Office (\$1,500,000 and 13 FTE's), an additional pertussis vaccine field trial (\$3,000,000 and 1 FTE), additional pertussis basic research (\$2,500,000 and 6 FTE's), additional trials and research on new conjugated vaccines (\$1,500,000 and 3 FTE's) and vaccine safety studies (\$1,500,000 and 1 FTE). These resources are in addition to those provided in the budgets of the National Institutes of Health, the Centers for Disease Control and the Food and Drug Administration.

Vaccines are the safest, cheapest, and most effective means of preventing many infectious diseases. Global eradication of smallpox is a dramatic example of the effective use of vaccines. Appropriate use of vaccines can eliminate the occurrence of many diseases within the United States (e.g., measles, rubella, poliomyelitis, diphtheria) and markedly reduce the incidence of others (e.g., pertussis, hepatitis B, influenza). Dramatic reductions in vaccine-preventable diseases have occurred in the United States but many of the currently achievable goals have not yet been reached. Recent advances in molecular biology and biotechnology have made possible the development of new vaccines and improvements in the efficiency and safety of existing immunization products.

While modern vaccines are safe and effective, they are neither totally safe nor totally effective. With some vaccines (e.g., pertussis), the potential for adverse events is such that priority must be given to improving safety. With others (e.g., influenza), the primary improvements to be made are in the area of efficacy. With a third category of vaccines (e.g., hepatitis B), less costly products are needed so the cost of the vaccine is not a deterrent to utilization. In addition, it is important to foster the development of new vaccines for which current technology exists.



Achievement of these goals requires a coordinated effort to enhance the use of existing vaccines, develop improved vaccines, and develop new vaccines. This effort must include participation by consumers, providers, researchers, and manufacturers in the private and public sectors, at local, State, and Federal levels. It also requires the maintenance of an adequate supply of recommended vaccines and their widespread availability at an affordable cost. Public and professional awareness of the appropriate use (and non-use) of vaccines is an integral element and involves full knowledge of the benefits and risks of vaccine use. Achievement of all elements of this policy requires allocation of additional resources.

#### *Acquired Immune Deficiency Syndrome*

The Committee recommends a total of \$41,348,000 for AIDS activities within the Office of the Assistant Secretary for Health. This is an increase of \$28,078,000 over 1989 and the same as the budget request. This includes \$3,714,000 and 28 full-time-equivalent staff for National AIDS Program Coordination, \$4,058,000 for the Office of Minority Health, \$8,576,000 for health services research that emphasizes the cost of services for different risk groups, stages of illness, and treatment modalities, as well as research that assesses potential improvements in health care delivery methods and methods to increase the cost-effectiveness of care, and \$25,000,000 for a contingency fund to quickly meet unexpected needs. The Committee wishes to be notified in writing whenever the contingency fund is utilized.

The Committee has provided \$5,000,000 within this account for additional pediatric AIDS research. The Committee is concerned about the alarming increase in HIV-infected infants and children. These children, generally, are born to families where one or both parents are sero-positive for HIV. Despite the increase of infected children, there is still no discrete, identifiable Pediatric AIDS research and training program which addresses their unique needs.

To address this need, the Committee directs the National Institute of Allergy and Infectious Diseases to set aside a portion of its funds to develop a more targeted and focused research and training program in Pediatric AIDS. Of this designated amount, funds should be targeted to already established center(s) which are located in areas with a sero-positivity in children of 1.5 percent or more. These monies should be utilized in such center(s) for expanded research, investigative therapy trials, clinical and research training opportunities (including sub-specialty training) in the area of Pediatric AIDS.

In addition, the Committee directs the National Institute of Child Health and Human Development to continue to assist Pediatric AIDS center(s) in the area of instrumentation and equipment improvement. Of the amount set aside for this purpose, at least half should be dedicated to centers serving urban areas with extraordinarily high sero-positive AIDS prevalence rates in newborns and which serve minority and disadvantaged populations.

The Committee has included \$4,000,000 in this account to begin the implementation of Public Law 100-505, the Abandoned Infants Assistance Act, which authorizes grants for the support of family preservation, foster care, and residential care for hospitalized in-

infants and children—"boarder babies"—who are medically ready for discharge but unable to be taken home.

The growing numbers of children born with HIV infection or drug dependencies are creating a new boarder baby crisis throughout our Nation, especially in urban centers. For instance, between July 1986 and September 1988, the number of boarder babies in New York City grew from 130 to 435. Nationwide, the number of children with AIDS—today nearly 2,000 including adolescents—is projected to increase to as many as 20,000 in the early 1990's. Virtually every child born with AIDS is a potential boarder baby.

The Committee expects the Administration on Children, Youth, and Families in OHDS to administer these funds in close coordination with the Administration on Developmental Disabilities in OHDS and the Bureau of Maternal and Child Health and Resources Development in HRSA. Given the MCH Bureau's administration of health care grants, especially focusing on pediatric AIDS and infants of substance-abusing mothers, the Committee believes that coordination of the Abandoned Infants Assistance Act with these activities is especially important.

Public Law 100-607, signed into law by the President on November 4, 1988, established the National Commission on Acquired Immune Deficiency Syndrome.

The Commission succeeds the Presidential AIDS Commission established in 1987, and is charged with evaluating the adequacy of and making recommendations regarding AIDS health care and research needs, including the allocation of resources to various Federal agencies, State and local governments, and the role of private financing.

The Committee has included \$1,500,000 in the bill to provide funding to the Commission.

The Committee notes that America's science museums host approximately 120 million visitors annually, an estimated five million of whom are at risk of HIV infection. Science museums therefore represent a logical medium for effective communication of AIDS education and prevention information. Within the funds provided for AIDS activities, the Committee directs that \$2,000,000 be expended for the development of AIDS education programs and exhibits to be located in science museums selected on a competitive basis. These funds should be matched with non-federal dollars.

#### RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits the bill provides an estimated \$105,201,000, a decrease of \$5,000,000 below the budget estimate and an increase of \$886,000 above the amount estimated for 1989. This is an indefinite appropriation account. This activity provides for mandatory payments to Public Health Service commissioned officers who have retired for age, disability or specified period of service in accordance with provisions of law. Provision is also made for the cost of medical care provided in non-Public Health Service facilities to dependents of the Public Health Service Commissioned Corps. The Committee did not approve the budget request to transform this account from an indefinite to a definite

appropriation, including a contingency reserve of \$5,000,000. There seems to be no compelling reason for doing this.

#### MEDICAL TREATMENT EFFECTIVENESS

The Committee has provided \$20,000,000, of which \$15,000,000 will be derived from a transfer from the Medicare trust fund, for this new account. The budget request was for \$52,000,000, which the Committee was unable to accommodate because of budgetary restraints. Comparable activities in 1989 were funded at \$5,879,000.

The Committee is pleased that the Department of Health and Human Services has put forth a plan to substantially expand efforts in the area of medical treatment effectiveness. This program was authorized originally by the Omnibus Budget Reconciliation Act of 1986 and extended by the Technical and Miscellaneous Revenue Act of 1988. This initiative represents an approach to the establishment of a scientific foundation for assuring that information on clinical effectiveness is developed and shared and that the best medical practices are used to treat and care for our citizens.

The initiative provides for a significant expansion of research efforts in patient outcomes and clinical effectiveness; improvement in data collection and linkage; and dissemination of research findings to the medical community, patients, employers and insurers. The approach to be followed will focus studies on all parts of the population with priority to be placed on clinical areas where the risks, uncertainty and costs are significantly high. As prescribed by statute, the majority of effort will be conducted through grants and co-operative agreements, with approximately 10% available for intramural research and administrative purposes.

The Committee expects to be kept informed of the status of this initiative, including progress in identifying specific areas of study and how the Department plans to evaluate the initiative's progress.

While mortality and morbidity information is important and basic to the effectiveness research initiative, the Committee believes that in measuring outcomes the Department must also take into account the impact a treatment has on the patient's quality of life. It is also extremely important that the Department ensure that effectiveness research reflect, on an ongoing basis, new information and new treatments in order to remain consistent with innovation and scientific advance.

#### HEALTH CARE FINANCING ADMINISTRATION

##### GRANTS TO STATES FOR MEDICAID

The bill includes \$38,616,497,000 for the mandatory Federal share of State Medicaid costs in fiscal year 1990. This amount includes \$9,000,000,000, which was advance funded in the 1989 appropriation. In addition, the bill provides an advance appropriation of \$10,400,000,000 for program costs in the first quarter of fiscal year 1991. The bill also includes indefinite budget authority for unanticipated costs in 1990.

The amount recommended in the bill for fiscal year 1990 is \$1,000,000,000 above the amount requested by the President and \$4,324,511,000 over the comparable amount appropriated for fiscal

year 1989. The Committee recommendation reflects updated State estimates of 1990 program costs.

Federal Medicaid grants reimburse States for 50 to 83 percent (depending on per capita income) of their expenditures in providing health care for individuals whose income and assets fall below specified levels. States have broad authority within the law to set eligibility, coverage and payment levels. It is estimated that 25.84 million low-income individuals will receive health care services in 1990 under the Medicaid program.

#### PAYMENTS TO HEALTH CARE TRUST FUNDS

The bill includes \$36,338,500,000 for the Payments to the Health Care Trust Funds account. This is an increase of \$5,111,500,000 above the 1989 level and is the same amount requested by the President. This entitlement account includes the general fund subsidy to the Medicare Part B trust fund as well as other reimbursements to the Medicare trust funds for benefits and related administrative costs which have not been financed by payroll taxes or premium contributions. \$35,925,500,000 of the amount recommended is for the part B subsidy, which currently supports 75 percent of this program's costs. The Committee has not included bill language proposed by the Administration indicating that the Hospital Insurance and the Supplementary Medical Insurance Trust Funds should not be used to support catastrophic coverage costs. This language would merely reinforce what is already clear in the authorizing statute.

#### PROGRAM MANAGEMENT

The bill includes \$101,908,000 in general funds and \$1,992,159,000 in trust funds for Federal administration of the Medicare and Medicaid programs. This is \$201,079,000 more than the comparable amount available for this purpose for fiscal year 1989 and \$89,987,000 above the Administration request.

The amount recommended by the Committee for each of the programs and activities funded by this appropriation is shown on the following table, together with the budget request and comparable appropriations for fiscal year 1989:

#### PROGRAM MANAGEMENT

	Fiscal year 1989 comparable	Fiscal year 1990 budget request	Committee bill
Research, demonstration, and evaluation:			
Regular program:			
Federal funds.....	9,880,000	14,000,000	13,000,000
Trust funds.....	(19,760,000)	(23,000,000)	(21,000,000)
Mandated studies related to catastrophic HI, trust funds.....	(12,000,000)		
Rural hospital transition demonstrations, trust funds.....	(8,892,000)		(12,000,000)
Subtotal, research, demonstration, & evaluation.....	50,332,000	37,000,000	46,000,000
Medicare Contractors (Trust Funds):			
Operating funds, current.....	(1,361,588,000)	(1,439,013,000)	(1,520,000,000)
Contingency reserve fund.....	(98,800,000)	(100,000,000)	(100,000,000)
Subtotal, Contractors.....	(1,460,388,000)	(1,539,013,000)	(1,620,000,000)

## PROGRAM MANAGEMENT—Continued

	Fiscal year 1989 comparable	Fiscal year 1990 budget request	Committee bill
State Certification:			
Medicare certification, trust funds .....	(63,168,000)	(92,442,000)	(92,442,000)
General program support, federal funds .....	4,173,000	6,558,000	6,558,000
Subtotal, State certification .....	(67,341,000)	(99,000,000)	(99,000,000)
Federal Administration:			
Federal funds .....	80,769,000	82,633,000	82,633,000
Less user fees .....	—1,538,000	—283,000	—283,000
Trust funds .....	(235,496,000)	(246,717,000)	(246,717,000)
Subtotal, Federal Administration .....	314,727,000	329,067,000	329,067,000
Total, Program management .....	1,892,988,000	2,004,080,000	2,094,067,000
Federal funds .....	93,284,000	102,908,000	101,908,000
Trust funds .....	(1,799,704,000)	(1,901,172,000)	(1,992,159,000)

The Committee has not included bill language requested by the Administration to permit the Catastrophic Reserve Fund to reimburse the Health Insurance Trust Fund for Health Insurance Catastrophic outlays. This issue is more appropriately addressed by the authorizing committees.

#### *Research, demonstration, and evaluation*

The bill includes \$46,000,000 for research and demonstrations, with \$13,000,000 of this amount supported by general funds and \$33,000,000 provided from trust funds. This total is \$9,000,000 above the amount requested by the Administration and \$4,532,000 less than the comparable amount provided in 1989. These funds support a variety of studies and demonstrations in such areas as measurement of quality of care, refinement of the Medicare hospital prospective payment system and physician payments, long-term care, and utilization of medical services.

While the Health Care Financing Administration (HCFA) will continue in 1990 to conduct the research studies mandated by catastrophic health insurance legislation, it is not anticipated that additional funding will be required.

The bill includes \$12,000,000 for the rural hospital transition grant program. These grants assist rural hospitals that are experiencing severe financial difficulties, in part because of changes in the Medicare program such as the prospective payment system. Hospitals use these grants to plan and implement changes in the type of services they provide in order to remain fiscally viable. The funds provided should support the second year costs of grants made in 1989, as well as about 65 new grants.

The Committee recognizes that cooperative structures and arrangements may be particularly appropriate for improving and making more efficient the delivery of health care in rural areas. Cooperative structures play an important role in delivering electric, telephone and other services to rural and sparsely-populated areas. The Committee therefore directs the Secretary to give special attention to making grants and supporting demonstration projects that establish new cooperative models for delivery of rural

care. Those activities should be undertaken by HCFA, in conjunction with the Office of Rural Health Policy, using the rural hospital transition grant program, among other mechanisms.

Medicare reimbursement to hospitals for covered services is based on previous-years' data reflecting hospital costs reported to HCFA. HCFA continuously updates the cost data provided to it by hospitals participating in the program. However, that data may be three or four years old. HCFA is undertaking new programs to gather and report hospital costs more expeditiously, with the objective of perceiving trends in hospital costs in a more timely way. Recognizing the importance of early warning about problems that some hospitals, especially rural hospitals, may be having, the Committee requests that the Department provide it within one year a report on current steps being taken to speed the processing of Medicare hospital cost reporting.

The Committee expects that the agency will complete its updated estimates of health care costs on a timely basis using the latest available data, will detail costs by type of service and by type of payer, including detailed estimates of consumer payments (direct out-of-pocket costs, insurance premiums, etc.), and will submit a schedule for completion of these estimates to the Committee no later than October 1, 1989.

The agency is encouraged to consider conducting the following projects: the development of a Statewide demonstration program extending a Medicare-type quality assurance program across all residents and all payers; a study of the availability of mental health services for Medicare and Medicaid beneficiaries, including nursing home, homebound, rural and central city residents; and a study of alternative models for providing ambulatory, emergency medical and hospital services in rural areas.

#### *Medicare contractors*

The bill provides \$1,620,000,000 in trust funds to support Medicare claims processing contracts. This is \$80,987,000 above the amount requested by the Administration and an increase of \$159,612,000 over the amount of funds provided in fiscal year 1989. Consistent with the Administration request, \$100,000,000 of this amount has been placed in a contingency reserve for unexpected operating costs.

The Medicare program is administered largely by contractors who are responsible for paying Medicare beneficiaries and providers in a timely and fiscally responsible manner. These contractors, most of which are insurance companies, will be responsible for processing an estimated 557.6 million claims during 1990, a 13.7 percent increase over 1989. They are also responsible for identifying and recovering Medicare overpayments, as well as reviewing claims for questionable utilization patterns and medical necessity. In addition, contractors provide information and technical support both to providers and beneficiaries regarding the administration of the Medicare program.

The Committee has increased funding for Medicare contractors above the Administration request in recognition of the increasing workloads projected for 1990, partly as a result of Medicare catastrophic coverage, and the importance of payment safeguard activi-

ties. The Committee is concerned that additional funding may be required for contractor activities in 1990 and would expect the Administration to submit a supplemental request if that should occur. The Committee has modified the bill language regarding the use of the contingency fund to make clear that it may be released for any unanticipated costs.

The Committee is aware of the serious situation that developed late last year and earlier this year when the Florida Medicare contractor switched data processing systems. This conversion created severe claims processing backlogs that caused serious problems for Medicare beneficiaries and health care providers. The Committee requests that the General Accounting Office evaluate the Florida system conversion to ensure that a similar problem does not occur again in Florida or elsewhere in the nation and to determine if the new Florida system is fully operational, is processing claims in a timely manner as prescribed by HCFA, and if all backlogged claims have been resolved. The Committee also would expect the report to include recommendations for this Committee or the authorizing committees for funding or legislation that would reduce the likelihood of a recurrence of this situation.

#### *State survey and certification*

The bill includes \$99,000,000 for State inspection of nursing homes and other facilities serving Medicare beneficiaries. An additional \$75.3 million is provided for this function in the Medicaid program account. This is the same amount requested by the Administration and \$31,659,000 above the total available for this program in 1989. Of this amount, \$6,558,000 is provided from general funds and \$92,442,000 is from trust funds.

The purpose of this activity is to ensure that institutions and agencies providing care to Medicare patients meet acceptable standards of quality and safety. The Committee has increased funding above the 1989 level so that new legislative requirements can be met and so that the agency can implement its plans to increase the percentage of clinical laboratories that is reviewed each year.

#### *Federal administration*

The bill includes \$329,067,000 to support Federal administrative activities related to the Medicare and Medicaid programs. This is the same as the Administration request and an increase of \$14,340,000 over the amount available in 1989. \$82,350,000 of this amount is provided from general funds and \$246,717,000 is supported by trust funds. This appropriation will support 4,017 full-time-equivalent positions, the same number as requested by the Administration and the same as in 1989.

#### HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTEE FUND

The Committee provides \$5,000,000 for costs associated with the Health Maintenance Organization (HMO) Loan and Loan Guarantee Fund. This amount is the same as the Administration request. No funds were provided in 1989.

The Fund was established in 1975 to provide working capital during the initial operating period of an HMO, when financial deficits were expected. Direct loans were made to HMOs from the Fund and, as made, were sold, with a guarantee, to the Federal Financing Bank. The Fund also guaranteed the repayments of loans made by private lenders to HMOs. The last loan commitments were made in 1983, and, by law, none can be made after 1986.

The funds provided will be used for payment of prepayment premiums and interest subsidies currently owed to the Federal Financing Bank. The Committee has not included bill language requested by the Administration to permit the sale of this loan portfolio at a discount.

## SOCIAL SECURITY ADMINISTRATION

### PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

The bill includes \$191,968,000 for mandatory payments necessary to compensate the Social Security system for cash benefits paid out, but for which no payroll tax is received. This is the same amount requested in the budget and an increase of \$98,337,000 from the amount available in FY 1989. These funds reimburse the Old-Age and Survivors Insurance (OASI) and Disability Insurance (DI) Trust Funds for special payments to certain uninsured persons, costs incurred administering pension reform activities, and the value of benefit checks issued but not negotiated. This appropriation restores the trust funds to the position they would have been in had they not borne these costs, properly charged to the general funds.

The amount provided includes \$33,968,000 for the cost of special payments to certain uninsured persons. These individuals attained retirement age before they could accumulate sufficient wage credits to qualify for benefits under the normal retirement formulas. Also included in this account is \$1,000,000 for reimbursements to the trust funds for administrative costs incurred in providing private pension plan information to individuals, and \$157,000,000 to reimburse the trust funds for the value of unnegotiated Social Security benefit checks.

The fiscal year 1990 appropriation increase is attributable to a higher level of activity involving reimbursement to the trust funds for the value of unnegotiated checks issued through September 30, 1989, and to fund prior year adjustments.

### SPECIAL BENEFITS FOR DISABLED COAL MINERS

The bill includes \$859,862,000 for special benefits for disabled coal miners in FY 1990, including \$211,000,000 advance funded in FY 1989. This is the same amount requested in the budget and \$25,474,477 less than the current estimate for FY 1989.

This appropriation provides for cash benefits to miners who are disabled because of black lung disease, and to widows and children of miners. The Social Security Administration was responsible for taking, processing, and paying claims for miners' benefits filed from December 30, 1969 through June 30, 1973. Since that time, it has continued to take claims, but forwards most of them to the De-



partment of Labor for adjudication and payment. The Social Security Administration retains jurisdiction for some new claims for survivors of miners and will continue to pay benefits and maintain the beneficiary roll for the lifetime of all persons who filed during its jurisdiction. During FY 1990, there are expected to be 220,000 miners, widows, and dependents who will be receiving monthly benefits which are paid by the Social Security Administration from this appropriation. The basic black lung benefit is 37½ percent of the amount paid to Federal employees in step 1 of grade GS-2. In addition to funds for FY 1990, the bill also includes an advance appropriation of \$215,000,000 for the first quarter of FY 1991.

#### SUPPLEMENTAL SECURITY INCOME PROGRAM

The bill provides \$12,034,758,000 for FY 1990 for the Supplemental Security Income program including \$2,936,000,000 advance funded in FY 1989. This a decrease of \$17,684,000 below the amount requested in the budget and \$439,195,000 less than the comparable estimate for FY 1989.

These funds are used to pay Federal cash benefits to approximately 4.2 million aged, blind, and disabled persons with little or no income. The maximum monthly Federal benefit payable in FY 1990 under present law is estimated to be \$382 for an individual and \$573 for an eligible couple. In addition to Federal benefits, the Social Security Administration administers a program of supplemental State benefits for those States which choose to participate.

The reduction in the appropriation from fiscal year 1989 reflects the fact that only 11 monthly SSI payments will be issued in fiscal year 1990. Since October 1, 1989 falls on a Sunday, the October, 1989 SSI payment will be issued in September, 1989, and thus is covered by the fiscal year 1989 appropriation.

The Committee has reduced the request for federal administration by \$20,684,000 to maintain this activity at the 1989 level. With an overall decrease in funding for this program the Committee sees no reason to increase administrative costs.

The bill includes \$5,275,000 for research and demonstration activities which is \$3,000,000 more than the President's request and the 1989 appropriation. The increased funds are to be used to initiate a new program of outreach to potential elderly recipients of SSI benefits. This population is often in need of cash assistance but does not apply for benefits both because of the stigma attached to government aid but also because of a lack of knowledge about eligibility. The Committee expects these demonstrations to use a combination of direct services and contract service with organizations such as the existing network of area agencies on aging. The Committee believes that these agencies can be a valuable resource in this effort. The Commissioner should consider the activities described under section 155 of the Older American Act when designing the new program.

In addition to the funds for FY 1990, the bill also includes an advance appropriation of \$3,157,000,000 for the first quarter of FY 1991.

## LIMITATION ON ADMINISTRATIVE EXPENSES

The bill includes authority to spend \$3,833,389,000 in FY 1990 from the Social Security trust funds for administrative expenses of the Social Security Administration. This is the amount requested in the budget and is an increase of \$101,991,000 over the comparable FY 1989 amount. The additional funds cover mandatory salary and benefit increases, higher building service costs, increased Disability State agency costs and funds for software improvements and hardware capacity upgrades which are needed to enable SSA to maintain and improve SSA's service to the public. The bill includes \$97,870,000 of these funds in the contingency reserve, the same as in 1989 but \$50 million more than requested in the President's budget.

These funds support approximately 63,000 full time equivalent positions, computer support, resources for state disability agencies which make initial and continuing disability determinations, and other administrative costs. More than 40 million beneficiaries receive a Social Security or Supplemental Security Income check each month and cash payments are expected to reach \$252.2 billion during FY 1990.

Over the last five years the Social Security Administration has reduced the size of its staff by approximately 17,000 full-time-equivalent positions or about 20%. This reduction has been accomplished in combination with a substantial and expensive enhancement in its computer operations and a variety of other service delivery and management improvements. These actions have allowed SSA to improve its services to the public, as measured by the General Accounting Office, during this "downsizing". Computers have allowed services to be delivered faster with fewer errors and at much lower cost. According to testimony by the Commissioner, these staffing reductions result in annual savings of \$580 million to the trust funds.

While the Committee has supported this downsizing, it now feels that agency staffing levels should be stabilized. Further reductions could lead to a deterioration in service to the public as well as to severe morale problems at the agency. The Department is therefore directed to take no action in fiscal year 1990 which would lower end of year employment levels below the level in effect on September 30, 1989. This directive is compatible with the Budget submitted by the President.

The Committee is aware that persons afflicted with Chronic Fatigue syndrome (CFS) continue to have difficulty applying for and receiving Social Security Disability Insurance because the illness is not recognized as a legitimate disease by the SSA. The Committee notes that both the Centers for Disease Control and the National Institutes of Health confirm that Chronic Fatigue Syndrome (CFS) is a real illness and a national health problem. The Committee directs the SSA to communicate an awareness of this illness to all of the field employees handling applications for disability insurance, and to update its guidelines on CFS by incorporating the latest medical knowledge of this illness including the clinical definition developed by the CDC.

### FAMILY SUPPORT ADMINISTRATION

The bill includes \$14,211,890,000 for programs administered by the Family Support Administration (FSA). These programs include Aid to Families with Dependent Children (AFDC), child support enforcement, Job Opportunities and Basic Skills (JOBS) Training, low income home energy assistance (LIHEAP), refugee and entrant assistance, community services activities and State legalization impact assistance grants (SLIAG). Funding has been deferred for the refugee program, which has not been reauthorized for fiscal year 1990.

### FAMILY SUPPORT PAYMENTS TO STATES

The bill includes authority to spend \$11,707,946,000 during fiscal year 1990 for Family Support Payments to States. This is \$516,000,000 above the amount requested by the President and \$815,926,000 more than the comparable appropriation for 1989. The fiscal year 1990 amount includes \$2,700,000,000 in advance funding that was provided in 1989. Consistent with historical practice, the Committee has also included \$3,000,000,000 for advance funding of the first quarter of fiscal year 1991, as well as indefinite appropriations authority to prevent any disruption in payments in fiscal year 1990.

This appropriation combines funding for the assistance payments and child support enforcement programs. The assistance payments programs are administered by State welfare agencies under individual plans developed by each State consistent with Federal requirements. The largest of the programs is AFDC, which provides basic cash benefits for needy children. The Federal government, on average, finances 55 percent of the cash benefits provided to AFDC households. The Family Support Enforcement program was created to locate absent parents, to enforce their support obligations, and to establish paternity. The Federal government provides 86 percent of the costs incurred by State and local governments in administering the program.

The amount recommended by the Committee for each of the programs and activities funded by this appropriation is shown on the following table, together with the budget request and comparable appropriations for fiscal year 1989:

### FAMILY SUPPORT PAYMENTS TO STATES

	Fiscal year 1989 comparable	Fiscal year 1990 budget request			Committee bill
		January budget request	Bush revisions	Revised budget request	
Aid to Families with Dependent Children (AFDC).....	\$8,897,874,000	\$9,345,000,000		\$9,345,000,000	\$9,345,000,000
Quality control disallowances.....	— 63,000,000	— 516,000,000		— 516,000,000	
Payments to territories.....	16,346,000	16,346,000		16,346,000	16,346,000
Emergency assistance, incl. welfare hotel demos.....	131,200,000	137,200,000	\$20,000,000	157,200,000	157,200,000
Repatriation.....	1,000,000	1,000,000		1,000,000	1,000,000
State and local welfare administra- tion.....	1,474,600,000	1,599,400,000		1,599,400,000	1,599,400,000
Work activities/child care.....	12,000,000	163,000,000		163,000,000	163,000,000

## FAMILY SUPPORT PAYMENTS TO STATES—Continued

	Fiscal year 1989 comparable	Fiscal year 1990 budget request			Committee bill
		January budget request	Bush revisions	Revised budget request	
Regulatory savings: essential persons.....	— 25,000,000	— 55,000,000		— 55,000,000	— 55,000,000
Subtotal, Welfare payments..	10,445,020,000	10,690,946,000	20,000,000	10,710,946,000	11,226,946,000
Child Support Enforcement:					
State and local administration ..	941,000,000	1,033,000,000		1,033,000,000	1,033,000,000
Federal incentive payments.....	260,000,000	294,000,000		294,000,000	294,000,000
Less Federal share collections...	— 754,000,000	— 846,000,000		— 846,000,000	— 846,000,000
Subtotal, Child support.....	447,000,000	481,000,000		481,000,000	481,000,000
Total, Payments, FY 1990 program level.....	10,892,020,000	11,171,946,000	20,000,000	11,191,946,000	11,707,946,000
Less funds advanced in previous years.....	— 2,500,000,000	— 2,700,000,000		— 2,700,000,000	— 2,700,000,000
Total, Payments, current request, FY 1990.....	8,392,020,000	8,471,946,000	20,000,000	8,491,946,000	9,007,946,000
New advance, 1st quarter, FY 1991.....	2,700,000,000	3,000,000,000		3,000,000,000	3,000,000,000

The Committee has provided \$516,000,000 above the President's request, rejecting the Administration's assumption that this amount of error rate liabilities will be collected from States in 1990. The amount provided includes \$163 million for work activities under Title IV-A of the Social Security Act and for child care expenses for participants in the JOBS program. Of this amount, \$13 million is provided for the child care standards and licensure grants authorized in the Family Support Act of 1988.

The Committee provides \$20,000,000 within this account for the welfare hotel demonstrations authorized last fall in section 903 of the Stewart B. McKinney Homeless Assistance Act Amendments. This amount is the same as the budget request, although the Administration requested that the program be funded within the Office of Human Development Services. The program, which is authorized for 1990 only, would provide demonstration grants to several States to house homeless families in transitional facilities rather than in welfare hotels or similar transient facilities. The Committee believes that it is appropriate to fund this program within the Family Support Payments to States account, since it is testing alternatives to the Emergency Assistance program, which is also funded within this account.

## PAYMENTS TO STATES FOR AFDC WORK PROGRAMS

The Committee provides \$349,975,000 for payments to States for AFDC work programs, which is the same as the Administration request. This is a new appropriation account intended to fund the JOBS Training Program established under section 201 of the Family Support Act of 1988. \$31,440,000 of the total will provide transitional funding in fiscal year 1990 for the Work Incentives

(WIN) program, instead of \$95,975,000, as proposed by the Administration. The Committee has allocated more funding to JOBS and less to the WIN program than the Administration request, reflecting updated information about the number of States that will be participating in JOBS in 1990. The WIN program received \$91,440,000 in 1989.

JOBS programs must be operating in all States by the end of fiscal year 1990, at which time existing AFDC work programs and the WIN program will be repealed. State JOBS programs must include educational activities, including high school or equivalent education, basic and remedial education, and education for those with limited English proficiency. The programs must also provide job skills training, job readiness, and job development and placement, along with at least two of the following: group and individual job search, on-the-job training, work supplementation, and community work experience.

The level of funding provided by the Committee is consistent with both Administration and Congressional Budget Office estimates of State spending for AFDC work programs in 1990. The Committee has included bill language to provide indefinite budget authority up to the maximum \$800,000,000 entitlement under the law in 1990. This will ensure adequate funding for States should their costs exceed current estimates. Consequently, the Committee has rejected the Administration's proposed bill language which would cap the 1990 entitlement at \$350,000,000. The Committee expects that funds will be made available to States based on their share of \$800,000,000 rather than \$350,000,000, since the former amount will be available if necessary. The Committee also includes proposed bill language to allocate no more than one-fourth of a State's annual allocation in any one quarter.

#### LOW INCOME HOME ENERGY ASSISTANCE

The Committee provides \$1,400,000,000 to carry out programs of energy assistance for low income households authorized under Title XXVI of the Omnibus Budget Reconciliation Act of 1981. This amount is \$300,000,000 above the budget request and \$16,800,000 above the 1989 appropriation.

This program provides assistance to low-income households in meeting the costs of home energy. Funds are provided through block grants to States for their use in programs tailored to meet the energy assistance requirements of their jurisdiction. States have flexibility in determining payment levels and types of payments, including cash payments to vendors on behalf of eligible households or energy vouchers. Up to 10 percent of the funds payable to a State may be used for administrative costs. A grantee may also transfer 10 percent of the funds to other block grant programs or withhold 15 percent of its funds for obligation in the following fiscal year.

#### STATE LEGALIZATION IMPACT ASSISTANCE GRANTS

The Immigration Reform and Control Act of 1986 established a four-year program of State Legalization Impact Assistance Grants to offset costs incurred by State and local governments in providing

certain public assistance, public health assistance and educational services to aliens legalized under that law. The Act appropriated, for each of fiscal years 1988 through 1991, \$1,000,000,000, minus the Federal cost of providing certain assistance programs to these aliens. As a result, annual appropriations action is not required.

For fiscal year 1990, however, the Administration has requested bill language that would reduce the automatic appropriation to States by \$400,000,000. The Committee has not included this bill language, believing that States will incur costs in providing services to this population that will require the amounts already available.

#### COMMUNITY SERVICES

The Committee has provided \$371,538,000 for the Community Services program. This is \$5,548,000 below the comparable 1989 appropriation and \$329,538,000 above the Administration request.

For Block Grant activities, the bill includes \$297,000,000, an amount \$297,000,000 over the budget request and \$21,630,000 below the amount appropriated in 1989. This program provides grants to States to provide services to meet employment, education, housing, nutrition, energy, emergency services, and health needs. By law, the majority of these funds are passed through to local community action agencies which have previously received block grant funds.

In addition, the bill includes \$35,000,000 for community services grants for the homeless. This is \$16,082,000 over the 1989 level and \$7,000,000 below the Administration request. Funds are distributed to States based on the formula used to allocate Community Services Block Grant funds. Grants support services to homeless individuals to enable them to move out of poverty and meet their social and maintenance needs. The Administration had requested this funding within the Office of Human Development Services; however, the Committee believes it is more appropriate to fund the grant within FSA, which also administers the regular Community Services Block Grant through many of the same grantees.

The bill also includes \$37,120,000 for discretionary activities, which is the same as the 1989 level and \$37,120,000 above the President's request. These activities provide assistance to private, local community development programs which sponsor enterprises providing employment, training and business development opportunities for low-income residents.

Funds have been identified in bill language for the following discretionary programs:

Community economic development.....	\$20,254,000
Rural housing.....	4,013,000
Farmworker assistance.....	2,948,000
National youth sports.....	9,669,000
Technical assistance.....	236,000
Total.....	37,120,000

Separate substance abuse funds have not been provided for the national youth sports program because the 1988 Anti-Drug Abuse Act does not provide a separate authorization, but rather identifies it as an eligible grantee under the Community Youth Activity pro-

gram within the Alcohol, Drug Abuse and Mental Health Administration.

The Committee wishes to reiterate that funds made available for community economic development under section 681(a)(2)(A) should be awarded only to eligible private, non-profit, locally initiated community development corporations (or their affiliates) whose boards of directors meet the requirements of the statute.

In addition to activities currently carried out under rural housing, the Committee intends the agency to make eligible for funding qualified proposals to plan and develop rural rental housing for low-income households.

The Committee has deferred funding for the Community Partnership program, which has not been reauthorized for 1990.

For the community food and nutrition program, the Committee recommends \$2,418,000, which is the same amount provided in 1989 and \$2,418,000 above the Administration request. This program provides funding to help relieve hunger and poverty by assisting low-income communities to identify potential sponsors of child nutrition programs and to initiate new programs in underserved or unserved areas.

#### PROGRAM ADMINISTRATION

The Committee includes \$82,431,000 for Program Administration. This is \$5,800,000 above the Administration request and \$1,799,000 above the comparable appropriation for 1989. This account provides resources for FSA to administer the various programs under its jurisdiction, as well as to conduct research and evaluation studies.

The Committee provides for a staffing level of 1,029 full-time equivalent positions, an increase of 12 positions from 1989, in recognition of the agency's significant new responsibilities in implementing the Family Support Act of 1988.

The Committee rejects the Administration request to amend through bill language the Social Security Act to permit FSA to collect fees from State and local governments which use the Federal Parent Locator Service. The budget authority provided in the bill includes an additional \$1,550,000 over the request to reflect the lack of user fees as offsetting collections to the account.

The Committee has increased the request by an additional \$1,000,000 to establish the Interstate Child Support Commission authorized in the Family Support Act of 1988.

Of the amount provided, the Committee identifies \$6,000,000 for FSA research and evaluations, which is \$3,250,000 above both the 1989 level and the Administration request. The Committee provides this increase in consideration of the studies and demonstrations that were authorized in the Family Support Act of 1988. Funding beyond that required for continuation grants should be used to assist in initiating several of these new studies, such as the child access demonstration, the national minimum benefit study and the jobs creation demonstration.

## ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT SERVICES

### SOCIAL SERVICES BLOCK GRANT

The bill includes \$2,700,000,000, the same as the budget request and the full amount authorized for fiscal year 1990. The 1989 appropriation was the same.

The social services block grant program is designed to encourage each State, as far as practicable, to furnish a variety of social services best suited to the needs of individuals residing within the State. Beginning with fiscal year 1982 the social services block grant replaced grants to States for social services, child day care, and State and local training.

Social services block grant funds are distributed to the territories in the same ratio such funds were allocated to territories in 1981. The remainder of the appropriation is distributed to the States and the District of Columbia according to relative State population.

### HUMAN DEVELOPMENT SERVICES

The bill includes \$2,757,959,000, an increase of \$17,306,000 over the budget request and \$189,220,000 over the 1989 appropriation.

The Committee has deferred consideration of appropriations for child abuse challenge grants and a portion of the Head Start request because authorizing legislation for these was not enacted when the Committee reported the bill.

Included in the budget is a proposed consolidation of 11 selected research, training, and discretionary programs, for which \$128,679,000 is requested as a single line item. The Committee has not approved this proposed consolidation, and instead has continued funding each program separately. Also proposed is a consolidation of four "family crisis" programs, for which \$46,790,000 is requested as a single line item. The Committee has also not approved this proposal. The programs are instead funded separately.

The following table shows in detail the activities funded in this account and the recommendations made by the Committee for each:

### HUMAN DEVELOPMENT SERVICES

	Fiscal year 1989 comparable	Fiscal year 1990 Budget request	Committee recommendation
Programs for Children, Youth, and Families:			
Head start.....	\$1,235,000,000	\$1,405,000,000	\$1,400,000,000
Unauthorized, not considered .....		(80,000,000)	Defer
Child development associate scholarships .....	1,450,000	1,450,000	1,450,000
Family crisis program:			
Child abuse state grants.....	11,648,000		11,648,000
Child abuse challenge grants .....	(4,834,000)		Defer
Runaway and homeless youth.....	26,923,000		26,923,000
Family violence .....	8,219,000		8,219,000
Consolidated request .....		46,790,000	
Subtotal, family crisis.....	46,790,000	46,790,000	46,790,000
Dependent Care Planning and Development .....	11,856,000		11,856,000
Child welfare assistance.....	246,679,000	256,053,000	256,053,000



## HUMAN DEVELOPMENT SERVICES—Continued

	Fiscal year 1989 comparable	Fiscal year 1990 Budget request	Committee recommendation
Subtotal, Children, Youth and Families .....	1,541,775,000	1,709,293,000	1,716,149,000
(Unauthorized, not considered) .....	(4,834,000)	(80,000,000)	Defer
<b>Programs for the Aging:</b>			
Grants to States:			
Supportive Services and Centers .....	274,352,000	275,652,000	275,652,000
Ombudsman activities .....	988,000	988,000	988,000
Nutrition:			
Congregate meals .....	356,668,000	356,668,000	356,668,000
Home-delivered meals .....	78,546,000	78,546,000	78,546,000
Federal Council on Aging .....	188,000	188,000	188,000
Grants to Indians .....	10,710,000	7,410,000	12,710,000
Frail elderly in-home services .....	4,834,000	4,834,000	4,834,000
Subtotal, Aging programs .....	726,286,000	724,286,000	729,586,000
<b>Development disabilities program:</b>			
State grants .....	59,774,000	59,774,000	59,774,000
Protection and advocacy .....	19,760,000	19,760,000	19,760,000
Subtotal, Developmental disabilities .....	79,534,000	79,534,000	79,534,000
Native American Programs .....	29,975,000	29,975,000	29,975,000
<b>Human services research, training and demonstration:</b>			
New consolidated request .....		128,679,000	
Comprehensive child development centers .....	19,760,000		24,760,000
Child abuse discretionary activities .....	13,647,000		13,647,000
Runaway youth—transitional living .....			5,000,000
Runaway youth activities—drugs .....	15,000,000		10,000,000
Youth gang substance abuse .....	15,000,000		12,000,000
Temporary childcare/crisis nurseries .....	4,940,000		4,940,000
Child welfare training .....	3,696,000		3,696,000
Child welfare research .....	9,315,000		11,315,000
Adoption opportunities .....	6,027,000		6,827,000
Aging research, training and special projects .....	22,173,000		26,173,000
Developmental disabilities special projects .....	2,901,000		2,901,000
Developmental disabilities university affiliated programs .....	12,570,000		12,570,000
Total, Human Services Res. Trng. and demonstration .....	125,029,000	128,679,000	133,829,000
Program direction .....	66,140,000	68,886,000	68,886,000
Total, Human Development Services .....	2,568,739,000	2,740,653,000	2,757,959,000
(Unauthorized, not considered) .....	(4,834,000)	(80,000,000)	Defer

*Programs for children, youth, and families*

The bill includes \$1,400,000,000 for Head Start, an increase of \$165,000,000 over the amount appropriated for 1989. The Committee was not able to consider the full amount of the budget request because it is not yet authorized. The Head Start program provides comprehensive support and early childhood development services for children from low-income families. Approximately 24,250 Head Start classrooms will provide nutrition, education, and health-related and other social services to children up to age five. Emphasis will also be placed on special services to handicapped children, and on the involvement of parents in the early development of their children. In the continuing effort to provide support to the whole family, Head Start programs will also employ almost 25,000 parents of current or former Head Start children in 1990. The amount

recommended in the bill will provide services to an estimated 497,000 children, while assuring quality of services. This is an increase in the number of children served of about 45,000 over 1989.

The Committee is aware that qualified staff and low rates of staff turnover are essential to maintain the quality of Head Start services. The Committee is also aware that the average annual salary of a Head Start teacher is much lower than that of a public school teacher. Therefore, the Committee expects that the Secretary will devote \$50,000,000 of the fiscal year 1990 Head Start appropriation to increasing Head Start teachers salaries.

The Committee is aware of a need to expand training and preparation of Head Start personnel working with special needs children in a mainstreamed environment. Accordingly, the Committee urges the Department to undertake development of training materials for Head Start directors, teachers, teachers aides and parents of children with special needs. This initiative should utilize state of the art training technology to develop materials specifically designed for Head Start personnel working with special needs children. The materials and systems developed should be made available at regional workshops and disseminated nationwide.

The Committee has included \$24,760,000 for the new Comprehensive Child Development Program authorized by Public Law 100-297. This is an increase of \$5,000,000 over 1989. The purpose of this program is to provide financial assistance to projects on a multi-year basis, that

- (1) are designed to encourage intensive, comprehensive, integrated, and continuous supportive services for infants and young children from low-income families;

- (2) will enhance their physical, social, emotional, and intellectual development and provide support to their parents and other family members; and

- (3) target services on infants and young children from families who have incomes below the poverty line and who, because of environmental, health, or other factors, need intensive and comprehensive supportive services to enhance their development.

Under the program, the Secretary is authorized to make operating grants to eligible agencies in rural and urban areas.

The bill includes \$1,450,000 for child development associate scholarships, the same as the budget request and the amount available for 1989. This program provides grants for scholarships to financially needy persons who are candidates for the child development associate credential.

For child abuse prevention and treatment, the Committee recommends \$25,295,000, the same as fiscal year 1989. The total amount recommended includes \$11,648,000 for State grants and \$13,647,000 for child abuse discretionary projects. The programs attempt to improve and increase activities at all levels of government which identify, prevent, and treat child abuse and neglect through State grants, technical assistance, research, demonstration, and service improvement.

The Committee is pleased by the Department's efforts to expand support for a professionally-facilitated, national parent self-help program of proven effectiveness for the treatment of parents who

abuse and neglect their children. The Committee encourages the Department to continue its efforts in this area, specifically in providing assistance to State organizations in their first year of operation, in supporting a national toll-free line to provide information and referral to State organizations and parent self-help groups, and through expanding professional expertise and staff support for the design and implementation of a national education campaign.

The bill includes \$11,856,000 for dependent care planning and development, the same as the amount available for 1989. This program provides 75% Federal matching grants for dependent care services, including before-and-after-school care and local resource and referral systems providing information on dependent care services. The budget proposed to eliminate this program.

The Committee recommends \$8,219,000 for family violence prevention and services, the same as the amount available for 1989. This program is designed to demonstrate the effectiveness of assisting States in efforts to prevent family violence and to provide immediate shelter and related assistance for victims of family violence and their dependents, and to provide for technical assistance and training relating to family violence programs to State and local public agencies (including law enforcement agencies), nonprofit private organizations, and persons seeking such assistance.

The bill includes \$41,923,000 for runaway youth activities, the same total amount available for 1989. The basic program, for which the bill includes \$26,923,000, is intended to help address the needs of runaway and homeless youth and their families through support of activities sponsored by State and local governments and private nonprofit agencies. Grants are used to develop and strengthen community-based facilities which are outside the law enforcement structure and the juvenile justice system. The Runaway and Homeless Youth Act mandates that funds for this program be allocated to each State on the basis of its youth population under 18 years of age in proportion to the national total. Runaway Youth programs have been very successful in reuniting runaway children with their families and preventing runaways which, in turn, decreases the number of high school dropouts, incidents of juvenile drug abuse, crime and incarceration.

The Committee has provided \$5,000,000 to start the transitional living program for homeless youth which was authorized last year. The new program was created to serve those young people who cannot return home. Funds will be used to provide appropriate shelter and services for up to 18 months for youths ages 16-20 who have no safe available living arrangements. Services will be designed to help youth move towards self-sufficient and independent living, and to prevent long-term dependency on social services. In addition to shelter, such services may include education, vocational training, basic life skills, interpersonal skills building, and mental and physical health care. Grants will be available to public and private programs.

In addition, the bill includes \$10,000,000 for the drug education and prevention program for runaway and homeless youth. The purpose of this program is to reduce and prevent the illicit use of drugs by runaway and homeless youth. This is carried out through research, demonstration and service grants awarded to public and

private non-profit organizations designed to provide individual, family and group counseling to runaway youth and their families and homeless youth to reduce or prevent drug abuse; to develop and support peer counseling programs; and to develop and support community education programs, including outreach to individual youth.

The Committee recommends \$12,000,000 for the second year of funding of a youth gang drug education and prevention program. The purpose of this program is to reduce and prevent the participation of youth gangs in illicit drug activities. It supports programs to promote the involvement of youth in lawful activities; to prevent abuse of drugs by youth and educate youth about the problems associated with such abuses; to support activities of local police departments and other law enforcement agencies to conduct educational outreach programs; to inform gang members and their families of the availability of drug treatment and rehabilitation services; and to facilitate Federal and State cooperation with local school officials to assist youth who are likely to become involved with gangs that commit drug-related crimes. Additionally, this program provides technical assistance to eligible organizations in planning and implementing drug abuse education, prevention, rehabilitation and referral programs for youth associated with gangs. Particular priority in the award of grants and contracts will be given to applications for projects which will serve areas in which frequent and severe drug-related crimes are committed by youth gangs and projects which clearly demonstrate that they have the broad support of community based organizations in such geographic areas.

The bill includes \$256,053,000 for child welfare services, an increase of \$9,374,000 over the amount available in 1989 and the same as the budget request. This program provides grants to States to assist public welfare agencies establish, extend, and strengthen child welfare services in order to enable children to remain in their homes under the care of their parents, or, where that is not possible, to provide alternative permanent homes for them. Current law requires States to meet certain conditions in order to receive additional "incentive" funds.

The bill includes \$3,696,000 for child welfare training, the same amount available for 1989 and the budget request. This program provides teaching and traineeship grants to schools of social work to train social workers in the speciality of child welfare.

The bill includes \$11,315,000 for child welfare research, an increase of \$2,000,000 over the amount available for 1989. This program provides grants and contracts for projects in areas such as child welfare, child care, youth development, and child and family development. The Committee has added \$2,000,000 over the request to establish a research centers program to focus on the various needs of children. This is to be a competitive grant program. The Committee believes that 4 to 5 centers could be funded for this amount.

This Committee recommends \$6,827,000 for adoption opportunities, an increase of \$800,000 over the fiscal 1989 appropriation and the budget request. This activity funds a national adoption data gathering and analysis system, including a national information

exchange, and implements adoption training and technical assistance programs. The bill includes \$1,000,000 for post-legal adoption services, an increase of \$500,000, and \$800,000 for minority children placement, an increase of \$300,000.

The bill includes \$4,940,000 for temporary child care for handicapped children and crisis nurseries authorized under title II of the Children's Justice Act (P.L. 99-401). This is the same as the 1989 amount. These funds support demonstration grant programs to help private and public agencies and organizations to (1) provide temporary non-medical child care for handicapped children and children with chronic or terminal illnesses; and (2) provide crisis nurseries and referral to support services for abused or neglected children or children at risk of abuse and neglect.

### *Programs for the aging*

For programs administered by the Administration on Aging, the Committee recommends a total of \$755,759,000, an increase of \$7,300,000 over the budget request and the 1989 appropriation.

The Committee has included \$275,652,000, the budget request for support services and centers and an increase of \$1,300,000 over 1989. Funds for this program are awarded to each State with an approved State plan. The formula under title III of the Older Americans Act mandates that no State be allotted less than the total amount allotted to it in fiscal year 1984. The statute also requires that additional funds be distributed on the basis of each State's proportionate share of the total age 60 and over population, with no State receiving less than one-half of percent of the funds awarded. The funds contained in the bill will support coordinated, comprehensive service delivery systems.

The bill also includes \$988,000 to continue support for the long-term care ombudsman activities as requested in the budget.

For congregate nutrition services the Committee included \$356,668,000, the budget request and the same amount available for fiscal year 1989. For home-delivered nutrition services the Committee provides \$78,546,000, the budget request and the same amount available for fiscal year 1989. Both programs are intended to address some of the difficulties confronting older individuals, namely: nutrition deficiencies due to inadequate income, lack of adequate facilities to prepare foods, and social isolation. The agency estimates that about 249 million meals will be provided either in congregate sites or through the home delivery program.

The bill provides \$12,710,000 for grants to Indian tribes. The amount provided is \$5,300,000 over the budget request and \$2,000,000 over the revised fiscal year 1989 amount. Funds under this program are awarded to tribal organizations to be used to promote opportunities for older Indians, to secure and maintain independence and self-sufficiency, and to provide transportation, nutrition, health screening and other services to help meet the needs of this population.

The Committee has added funds to the request to provide a further program increase over the revised 1989 level of \$10,710,000. The Committee expects the Department to be prudent in awarding new grants under this program so as to ensure that existing grantees' grants are not reduced in order to fund new grants.

For research, training and special projects under title IV of the Older Americans Act the Committee recommends \$26,173,000, an increase of \$4,000,000 over the revised amount for 1989. Funds under this program are used to support education and training activities for personnel working in the field of aging and to finance research, development, and demonstration projects. The Committee has restored \$2,000,000 that was reprogrammed for another purpose in 1989.

The Committee expects the Administration on Aging to maintain the following activities under title IV: rural demonstrations; training and career preparation training; research; national aging organizations which provide special representation and outreach services for the minority elderly; and demonstrations to assist victims of Alzheimer's disease and other neurological disorders of the Alzheimer's type and their families in receiving supportive services.

The Committee also expects the Administration on Aging to promote and increase funding for career preparation training in the field of aging with special emphasis in student stipends and faculty development initiatives. Priority should be given to targeting minority students and faculty.

The Committee also expects the Administration on Aging to continue to fund national legal services support and demonstration projects. National legal services support and demonstration projects mean those which: (1) are conducted by national nonprofit legal assistance organizations which provide support and demonstrations on a national basis to local legal assistance providers; and (2) provide national legal assistance support and demonstrations to local legal assistance providers or state and area agencies on aging for the purpose of providing, developing or supporting legal assistance for older individuals, including case consultations; training; provision of substantive legal advice and assistance; and assistance in the design, implementation, and administration of free legal assistance delivery systems.

For frail elderly in-home services the bill includes \$4,834,000, the budget request and the same as was appropriated for 1989. These funds will be used to assist frail older persons in maintaining their independence and self-sufficiency. By supporting the provision of services to frail older people in their homes, the requested funds will help the vulnerable elderly avoid institutionalization and increase their access to needed assistance.

#### *Developmental disabilities*

For programs authorized by the Developmental Disabilities Assistance Act, the Committee recommends \$95,005,000, the same amount available for fiscal year 1989, and the budget request. The total includes \$59,774,000 for allotments to the States for planning, coordination, administration, and services for persons with developmental disabilities. These activities will allow States to continue programs which help developmentally disabled persons achieve a greater degree of independence, productivity and integration into the community. In addition, \$19,760,000 will be available to the States to be used for operating an advocacy program to protect the rights of the developmentally disabled. The bill includes \$2,901,000 for continuation of special projects that provide States with techni-

cal assistance in developing new technology and applying innovative methods which support the basic mission of the program.

The Committee approves the budget request of \$12,570,000 for grants to university affiliated facilities and satellite centers to support the cost of administering and operating demonstration facilities and interdisciplinary training programs.

The Committee is concerned that a growing number of young adults who are developmentally disabled are seeking assistance through State-supported residential and community-based programs where the availability of services is in short supply. In some States, the waiting lists for such services are very long. Many of these young adults who are developmentally disabled, but who also may have received years of special education services, remain in institutions or continue to live at home while their education and skill levels remain undeveloped or deteriorate.

The Committee wishes to encourage the State governments to initiate programs that establish a continuum of services for developmentally disabled young adults. The adult provider system is focused on long-term services and care and is often ill-equipped to provide the coordinated multi-agency support that could provide the short- or medium-term vocational or other preparation and services that encourage a satisfactory adjustment from school to work and independent living by young adults who are developmentally disabled.

The Committee urges the department to evaluate and fund meritorious innovative initiatives at the State level intended to fill the current gap in coordinated multi-agency service delivery to developmentally disabled young adults.

#### *Native American programs*

The bill includes \$29,975,000, the amount requested in the budget, and the same as the 1989 appropriation. The Administration for Native Americans assists Indian Tribes and Native American organizations to plan and implement their own long-term strategies for social and economic development. In promoting social and economic self-sufficiency, this organization provides financial assistance through direct grants and interagency agreements. The 1990 level will fund approximately 230 individual projects, training and technical assistance, and research and demonstration programs.

#### *Program direction*

The Committee approves the budget request of \$68,886,000 for program direction, an increase of \$2,746,000 over 1989. This amount will:

support 1,004 full-time equivalent positions and related expenses, the same as the 1989 current estimate;

provide standard operating expenses including built-in increases for annualization of the 1989 pay raise, within-grade increases and travel costs; and

support 1,004 full-time equivalent positions and related expenses, the same as the 1989 current estimate;

provide standard operating expenses including built-in increases for annualization of the 1989 pay raise, within-grade increases and travel costs; and

continue to provide data processing, word processing and management systems for the Office of Human Development Services.

#### PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

The bill includes \$1,556,364,000, an increase of \$269,917,000 over the amount requested in the budget, and an increase of \$58,112,000 over the 1989 appropriation.

The amount includes \$1,431,098,000 for the Foster Care program, which provides maintenance payments for children who must live outside their homes. This is an increase of \$44,590,000 over the 1989 level. The 1990 amount reflects increased State claims and a slight increase in the average monthly number of children in foster care to 125,000. The amount for Foster Care includes \$226,316,000 to pay prior-year claims. The Committee has included the Department's most recent estimate of costs for this program.

The total also includes \$125,266,000 for Adoption Assistance, which represents an increase of \$13,522,000 over the 1989 appropriation. This program provides an alternative to long, inappropriate stays in foster care by helping to develop permanent placements with caring families. In 1990, all States plus the District of Columbia are expected to use this program compared to only three States in 1980. The 1990 amount also reflects increased State expenditures and continued growth in the number of children assisted to nearly 44,000.

The Committee has deferred consideration of the independent living program because it is not currently authorized for 1990.

The Committee is concerned about the large volume of outstanding State prior-year foster care claims and about the inordinate delays in paying these claims. The reasons for this situation are not entirely clear. The Committee requests the General Accounting Office to conduct a review of outstanding claims and the Department's method of processing them. GAO should report back to the Committee by February, 1990 its recommendations for expediting claims processing, including any possible changes in appropriations bill language.

#### DEPARTMENTAL MANAGEMENT

##### GENERAL DEPARTMENTAL MANAGEMENT

The bill includes \$80,327,000 for general departmental management including the Office of General Counsel, a reduction of \$10,000,000 from the budget request and an increase of \$11,269,000 over the comparable amount for 1989. Also included is authority to spend \$31,201,000 from the Social Security trust fund, the same as the budget request and an increase of \$536,000 over the authority granted in 1989. For the Office of General Counsel, the bill provides a total of \$45,397,000 including \$26,116,000 from trust funds, the amount of the request. The Committee has earmarked these amounts in the bill but has not approved a separate appropriation account for the General Counsel. The earmark will provide the General Counsel with a definite amount of resources.

This appropriation supports those activities that are associated with the Secretary's roles as policy officer and general manager of the Department. The Office of the Secretary also implements Administration and Congressional directives, and provides assistance,



direction and coordination to the headquarters, regions and field organizations of the Department.

A total of 1,560 FTE's has been approved, including 827 for the General Counsel. The amount recommended includes built-in increases in personnel compensation and benefits, space rental and inflation. The Committee has approved \$5,114,000 of the \$15,114,000 of program increases requested in the budget for office automation, special initiatives, Secretarial campaigns and building renovations. Increases are offset by a lower working capital fund payment. In a time of budgetary restraint, it is necessary to also restrain departmental management and overhead costs. The bill provides nearly a 12% increase over 1989 for these activities.

The Committee requests that henceforth all Departmental reprogramming letters be approved and signed by the Secretary rather than by a subordinate.

#### OFFICE OF THE INSPECTOR GENERAL

The bill includes \$49,498,000, the same as the budget request and an increase of \$3,406,000 over the 1989 amount. The Committee has also approved a trust fund transfer of \$44,300,000, an increase of \$1,000,000 over the budget and \$4,780,000 over the 1989 amount. A total of 1,393 FTE's is provided, an increase of 35.

The Office of the Inspector General was created by law in 1976 to protect the integrity of Departmental programs as well as the health and welfare of beneficiaries served by those programs. Through a comprehensive program of audits, investigations, inspections and program evaluations, the OIG reduces the incidence of fraud, waste, abuse and mismanagement, and promotes economy, efficiency and effectiveness throughout the Department.

The amount recommended includes built-in increases for personnel compensation and benefits, space rental, and communications and utilities.

The Committee has approved the requested program increases for computer expenses, consultant costs and an additional 15 FTE's.

The Committee has increased the 1990 request for the Office of the Inspector General by \$1,000,000 to support an additional 20 FTE's to evaluate and review the effectiveness of payment safeguards. With the added funding, OIG should focus on areas such as medical review/utilization review, Medicare secondary payer, and provider audits.

#### OFFICE FOR CIVIL RIGHTS

The bill includes \$17,567,000, the amount requested and an increase of \$1,588,000 over the 1989 level. Also included is authority to transfer \$4,000,000 from the social security trust funds, an increase of \$48,000 over the 1989 amount.

The Office for Civil Rights is responsible for enforcing civil rights statutes that prohibit discrimination in health and human services programs. OCR implements the civil rights laws through a broad-scale compliance program designed to generate voluntary compliance among all HHS recipients.

The amount recommended includes built-in increases for personnel compensation and benefits, space rental, travel, information resources management and inflation. Increases are offset by decreases resulting from attrition. The recommendation provides 325 full-time-equivalent positions, the same as the 1989 level.

#### POLICY RESEARCH

The bill includes \$5,012,000, the budget request and \$2,839,000 below the amount available in 1989.

The Policy Research account, authorized by section 1110 of the Social Security Act, is the Department's principal source of policy-relevant data and research on the income sources of low-income populations; the impact, effectiveness, and distribution of benefits under existing and proposed programs; and other issues that cut across agency lines. The program is intended to analyze issues that cannot be carried out by other departmental research programs or under existing evaluation activity. The amount recommended maintains funding at the 1989 operating level.

The Committee is aware of the work being done by the Panel Study on Income Dynamics (PSID) but is concerned by the gap of knowledge of the economic progress of Hispanics in the United States. The Committee encourages the Office of the Assistant Secretary for Planning and Evaluation to expand its support of the PSID to add a representative, national Latino sample to the existing study.

### TITLE III—DEPARTMENT OF EDUCATION

#### COMPENSATORY EDUCATION FOR THE DISADVANTAGED

The bill includes \$5,580,069,000 for compensatory education for the disadvantaged programs. This is an increase of \$1,000,931,000 over the fiscal year 1989 appropriation. Of the total amount provided, \$5,571,177,000 is for title I, chapter 1, of the Elementary and Secondary Education Act, as amended by the Hawkins-Stafford Elementary and Secondary School Improvement Amendments of 1988. The remainder of this account, \$8,892,000, consists of two migrant education programs authorized by the Higher Education Act. The Committee has given the highest priority to funding for compensatory education programs. This is based both on the compelling needs of these students and on the proven effectiveness of chapter 1 in addressing these problems. This recommendation follows the advice of both the Secretary of Education and the Education and Labor Committee regarding the most effective place to put additional resources for the education needs of the Nation. The specific amounts provided for each activity are described in the following table:

## COMPENSATORY EDUCATION FOR THE DISADVANTAGED

	Fiscal year 1989 comparable	Fiscal year 1990 budget request			Fiscal year 1990 committee bill
		January budget request	Bush revisions	Revised budget request	
Grants for the Disadvantaged (Chapter 1):					
Grants to local educational agencies:					
Basic grants.....	\$3,853,200,000	\$3,900,000,000		\$3,900,000,000	\$4,461,300,000
Concentration grants.....	172,900,000	262,988,000		262,988,000	495,700,000
Subtotal, grants to LEA's.....	4,026,100,000	4,162,988,000		4,162,988,000	4,957,000,000
Capital expenses for private school students.....	19,760,000	19,760,000		19,760,000	30,000,000
Even start.....	14,820,000	14,820,000		14,820,000	30,000,000
State agency programs:					
Migrant.....	271,700,000	280,938,000		280,938,000	290,938,000
Handicapped.....	148,200,000	148,200,000		148,200,000	148,200,000
Neglected and delinquent.....	31,616,000	34,778,000		34,778,000	34,778,000
State administration.....	40,508,000	40,508,000		40,508,000	54,609,000
State program improvement.....	5,686,000	7,557,000		7,557,000	13,652,000
Evaluation and technical assistance.....	7,904,000	12,000,000		12,000,000	12,000,000
Rural technical assistance centers.....	3,952,000				
Total, Chapter 1.....	4,570,246,000	4,721,549,000		4,721,549,000	5,571,177,000
Migrant education:					
High school equivalency program.....	7,410,000	7,410,000		7,410,000	7,410,000
College assistance migrant program.....	1,482,000	1,482,000		1,482,000	1,482,000
Subtotal, migrant education.....	8,892,000	8,892,000		8,892,000	8,892,000
Merit schools, proposed legislation.....			\$250,000,000	250,000,000	
Magnet Schools of Excellence, proposed legislation <sup>1</sup> .....			100,000,000	100,000,000	
Total, compensatory education programs.....	4,579,138,000	4,730,441,000	350,000,000	5,080,441,000	5,580,069,000

<sup>1</sup> Requested in President's budget under School Improvement.

### Grants to local educational agencies

Of the amount provided for the chapter 1 program, \$4,957,000,000 is available for grants to local educational agencies. This is an increase of \$794,012,000 over the budget request and \$930,900,000 above the 1989 level. These grants support supplementary compensatory educational and related services designed to increase the achievement of educationally disadvantaged children. Local school districts develop and implement their own programs to meet the needs of their students. About 14,000 local school districts participate in the program, which served approximately 4.7 million pupils in 1989. The large increase recommended should allow for a significant expansion of the number of children being served as well as more intensive services for all students.

Financial assistance flows to school districts by formula, based primarily on a State's average per pupil expenditures and the number of school-aged children from low-income families. Ten percent of these funds are allocated under the concentration provisions of the basic law with the remaining funds distributed under the regular formula. The basic law also requires that each State receive a minimum allowance under the concentration grant formula of \$250,000. Within districts, local school officials target funds on school attendance areas with the greatest number or percentage of

children from poor families. Appropriations are provided on an forward funded basis. The 1990 appropriation will become available on July 1, 1990, and will remain available for obligation until September 30, 1991. School districts are expected to use the funds primarily for the 1990-91 school year.

#### *Capital expenses for private school students*

P.L. 100-297 authorizes capital expenses grants to pay some of the additional costs of providing chapter 1 services to children who attend non-public schools. As a result of the decision of the U.S. Supreme Court in the case of *Aguilar v. Felton*, public school teachers or other employees can no longer be sent to sectarian non-public schools for the purpose of providing chapter 1 services to eligible pupils who attend those schools. The capital expenses grants are allocated to States in proportion to the number of non-public school pupils they served under the chapter 1 basic grant program in school year 1984-85. Specific purposes for which these funds may be used include rental of classroom space in neutral sites, rental of mobile vans used for chapter 1 instruction, or transportation of non-public pupils to public schools or neutral sites. The bill includes an appropriation of \$30,000,000 for this purpose for 1990, an increase of \$10,240,000 over the budget request and the 1989 appropriation.

#### *Even Start*

Even Start is a new program authorized by the 1988 Amendments, as part B of chapter 1. This program provides demonstration grants for model programs of joint education of disadvantaged children, aged 1-7 years, who live in chapter 1 target school attendance areas, plus their parents who are eligible to be served under the Adult Education Act. These parents are not in school, are above the State's compulsory school attendance age limit, and have not earned a high school diploma (or equivalent). Grants are made by the Secretary of Education, through a review panel, and funds are to be equitably distributed among urban and rural areas of the Nation. The bill includes a 1990 appropriation of \$30,000,000 for this program, an increase of \$15,180,000 over the budget request and the 1989 appropriation.

#### *State agency programs*

Chapter 1 also includes grants to State agencies for the support of special educational and related services to children of migratory agricultural workers and fishermen, handicapped children within State-operated or State-supported programs, and neglected or delinquent children in State-supported or State-operated institutions. Funds for these programs are allocated to the States through a formula based on the number of eligible students residing within each State and the State's average per pupil expenditure for public elementary and secondary education. These programs, like the local educational agency grant programs, are forward funded, so the 1990 appropriation will be used primarily for school year 1990-91.

For the chapter 1 State agency migrant program, the bill includes \$290,938,000, an increase of \$10,000,000 over the budget request and an increase of \$19,238,000 over the 1989 appropriation.

Funds are provided to State educational agency migrant programs, most of which are administered by local school districts. Programs provide regular academic education, remedial or compensatory instruction, English for limited English proficient students, vocational education, testing, and guidance and counseling. More than 343,000 current and formerly migrant students are served. Funds are also provided to State educational agencies for program coordination and a student record transfer system. The Committee is concerned by the high proportion of students served under this program who are formerly migratory but may now be permanently settled in local communities. The Committee requests that the Department review this data and its policy implications and submit a report to both the authorizing and appropriations committees by February 1, 1990. The report should specifically address the issue of whether formerly migrant students are significantly more disadvantaged educationally than other chapter 1 eligible students.

For the State agency program for children with handicaps, the Committee provides \$148,200,000, the same as the budget request and the 1989 amount. This program is expected to serve approximately 260,000 children with a Federal contribution of approximately \$566 per child. The most recent studies of these students indicate that 34 percent of the pupils served are mentally retarded, 21 percent are emotionally disturbed, 5 percent are speech impaired, 13 percent are learning disabled, 9 percent are hearing impaired, 3 percent are visually handicapped, and the remaining 15 percent have other handicapping conditions. The 1988 Amendments did not change the basic purpose of the chapter 1 State agency handicapped program, but expanded its relationship to activities under the Education of the Handicapped Act. The children with handicaps served under this program and their parents are guaranteed all the rights and safeguards provided under the Education of the Handicapped Act.

For the State agency program for neglected and delinquent children, the bill includes \$34,778,000, the same as the budget request and an increase of \$3,162,000 over the 1989 appropriation. This program provides services to approximately 55,000 students. Currently 62 percent of the participants are in institutions for the delinquent, 32 percent are in adult correctional institutions, and 6 percent are in institutions for the neglected. Under the 1988 Amendments, States are authorized to use up to 10 percent of their grants for transition services intended to help former participants to succeed in regular or special education programs operated by local educational agencies. The increase over 1989 will help meet the additional costs associated with these transitional services.

#### *State administration*

The bill provides \$54,609,000 to help State educational agencies meet their administrative responsibilities under chapter 1. This amount is \$14,101,000 above the budget request and the 1989 appropriation. State educational agencies use these funds for allocating chapter 1 funds to local educational agencies, monitoring chapter 1 programs, and reviewing reports to ensure local educational agency compliance with legal requirements. State education agencies also use these funds to supply technical assistance to local edu-

cational agencies for improving program quality, encouraging parental involvement in local projects, providing equitable services to non-public school pupils, establishing performance objectives, and evaluating chapter 1 programs. The amount provided is compatible with the basic law which mandates a 1 percent setaside for State administration grants.

#### *State program improvement*

The basic law authorizing chapter 1 requires State education agencies to assist local educational agencies in the development of program improvement plans. These plans are developed for schools that fail to produce increases in the aggregate level of achievement among participating pupils. A 1990 appropriation of \$13,652,000 is recommended for this program, an increase of \$6,095,000 over the budget request and an increase of \$7,966,000 over the 1989 appropriation. The amount provided is compatible with the basic law which mandates a 0.25-percent setaside for State program improvement.

#### *Evaluation and technical assistance*

The bill includes \$12,000,000 for evaluation and technical assistance activities related to chapter 1 programs. This is an increase of \$4,096,000 above the 1989 amount, and is the same as the budget request. Among the activities to be supported with these funds are the regional assistance centers, a migrant education study, recognition and dissemination of successful program practices, and the initiation of a long-term study, mandated by the 1988 Amendments, of the effects of chapter 1 local educational agency programs on participants through the age of 25 years. While the Committee has approved the amount requested, it is concerned about the projected cost of the chapter 1 longitudinal study which is estimated at up to \$44 million over 10 years. The Committee believes that the Secretary should review this plan to determine whether its goals can be met at lower cost.

The Committee has not approved bill language, requested in the budget, to override a statutory requirement that final chapter 1 regulations for activities funded in the bill be issued before funds can be expended for evaluation and technical assistance. This requirement was added in mid-1988 and sufficient time has passed to allow compliance.

#### *Rural technical assistance centers*

The Committee bill does not include funds for rural technical assistance centers which received \$3,952,000 in fiscal year 1989. The Administration did not recommend funding for these activities. This program authorizes the Secretary to make awards to help State and local educational agencies improve the quality of educational services provided to disadvantaged children living in rural areas or attending small schools. The Committee believes that this purpose can be served more efficiently through the rural labs program funded under the Office of Educational Research and Improvement.

### *Migrant education*

The bill includes \$8,892,000 for two additional migrant education programs authorized by the Higher Education Act, the same as the budget request and the 1989 amount. The migrant high school equivalency program (HEP), which would receive \$7,410,000, helps students from families engaged in migrant and seasonal farmwork receive their high school diploma or its equivalent. The college assistance migrant program (CAMP), which would receive \$1,482,000, helps students from such families complete their first year of college.

### *Proposals for Merit Schools and Magnet Schools of Excellence*

The President's revised budget requests 1990 appropriations for two new programs—\$250,000,000 for Merit Schools and \$100,000,000 for Magnet Schools of Excellence. The Merit Schools proposal would provide cash awards to public and private elementary and secondary schools that have made substantial progress in raising student educational achievement, creating a safe and drug-free school environment, or reducing the dropout rate. The Magnet Schools of Excellence proposal would support elementary and secondary magnet schools, without regard to the presence of desegregation plans, to promote open enrollment through parental choice and to strengthen the knowledge of students in academic and vocational subjects. Grants would be awarded on a competitive basis for periods of two years. No funds are recommended for these programs at this time since they have not yet been enacted. However, because these funds have been requested by the President as a centerpiece to his education initiatives, the Committee has taken the unusual step of providing bill language which would allow funds to be transferred to these new activities if they are authorized separately by the Congress prior to March 1, 1990. Up to \$250,000,000 would become available for Merit Schools and up to \$100,000,000 would become available for the Magnet Schools of Excellence. This action is not intended as a statement of support for these new programs. That decision should be made through the normal legislative process under the jurisdiction of the Committee on Education and Labor.

### IMPACT AID

The bill includes \$739,260,000 for Impact Aid programs. This is an increase of \$110,000,000 over the 1990 budget request and an increase of \$6,164,000 over the 1989 appropriation.

The Impact Aid program was created in the early 1950's to compensate school districts for the cost of educating children when student enrollments and the availability of revenues from local sources have been adversely affected by Federal activities. Funds are made available for current operating expenses and construction assistance. Payments are made principally to school districts for the cost of educating children who reside on or whose parents work on Federal property or are in the uniformed services, as well as for children who reside on certain Indian lands or in federally subsidized, low-rent housing. These same districts also may be eligible for construction assistance because of their federally connected

children. During the current school year, payments are being made to about 2,700 school districts which have reported approximately 2,000,000 eligible children.

### *Maintenance and operations*

Of the amount provided for Impact Aid programs, \$713,670,000 is available for maintenance and operations under Public Law 81-874, an increase of \$120,000,000 over the budget request and \$5,274,000 above the 1989 level. Of the amount provided, the Committee recommends \$573,316,000 for payments on the behalf of section 3(a) children, \$5,000,000 less than the budget request and an increase of \$15,096,000 over the 1989 amount. On behalf of section 3(b) children, the Committee recommends payments of \$125,000,000, a decrease of \$10,356,000 below the 1989 appropriation; the Administration did not include funds for payments under section 3(b) in its request. The Committee continues to believe that children counted under section 3(b) of the law impose otherwise uncompensated costs on local education agencies due to lost revenue. Funds provided for "b" children are an essential part of the operating budgets of these school districts. The Committee recommends \$15,354,000 for section 2 payments for Federal property, the same as the budget request and an increase of \$534,000 over the 1989 amount.

Funds will be distributed as specified under the provisions of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, P.L. 100-297. Accordingly, payments to school districts with section 3(a) students are made in "waves." In the first wave, districts in which section 3(a) students comprise 20 percent or more of the total average attendance receive 80 percent of their maximum authorized payments; those districts with 15 percent to 19.9 percent receive 60 percent of their maximum payments; and districts with fewer than 15 percent receive 40 percent of such payments. Funds are not expected to reach beyond the first wave. Funds for section 3(b) payments potentially are distributed in two "waves." In the first wave, those districts in which section 3(b) students comprise 20 percent or more of their total average attendance receive 20 percent of their maximum authorized payments; and districts with less than 20 percent of such students receive 10 percent of their maximum payments. Funds are not expected to reach beyond the first wave.

Section 2 payments are to be allocated to school districts having a partial loss of their tax base as a result of the removal of real property from tax rolls through Federal acquisitions.

### *Designation of coterminous districts*

The Committee has learned that some local educational agencies are requesting that their States create school districts with boundaries coterminous with military installations or otherwise establish school districts that will result in the maximum amount of funding under the Impact Aid program. In most cases, these districts would not actually operate schools but would use their Impact Aid funds to pay tuition for the students they claim on their Impact Aid applications to attend school in other school districts. Although these actions may be technically in compliance with the current Impact



Aid statute and regulations, the Committee is very concerned about this manipulation of and district boundaries solely to increase Impact Aid payments and not for any educational purpose. The Committee believes such actions are improper and directs that the Secretary take such action as the Secretary deems necessary to prevent this abuse.

### *Disaster assistance*

Because the U.S. Department of Education currently estimates sufficient carryover funds, the bill does not include funds for disaster assistance under section 7 of Public Law 81-974 and under section 16 of Public Law 81-815. The budget request submitted in January was for \$10,000,000; no funds were appropriated for this activity in 1989. A minimum carryover of \$12 million is currently expected to be available for these costs in 1990. Grants are authorized for repairs or replacement of school facilities damaged or destroyed by major disasters. A school district must be located in a Presidentially-declared disaster area to be eligible to apply for Impact Aid disaster assistance.

### *Construction*

The bill includes \$25,590,000 for construction under Public Law 81-815, the same as the budget request and an increase of \$890,000 over the 1989 appropriation. Funds are included for five types of construction awards: sections 5, 10, 14(a), 14(b), and 14(c). Section 5 authorizes assistance for school construction in areas experiencing an increase in Federal activity. Section 10 directs the Secretary to make arrangements for constructing or otherwise providing school facilities for children who reside on Federal property where legal or other reasons prevent the local educational agency from spending State or local funds on the education of federally connected children. Sections 14(a) and 14(b) authorize grants to local educational agencies that are comprised mainly of Indian lands or which provide a free public education to children who reside on Indian lands. Section 14(c) authorizes construction assistance to school districts that are comprised mainly of Federal lands and which have a substantial number of inadequately housed pupils. The President's budget requests that \$9,880,000 be allocated for section 10, \$12,746,000 for sections 14(a) and 14(b), and \$2,964,000 for sections 5 and 14(c). There is a large backlog of approved construction projects awaiting funding. This appropriation will permit the Secretary to award funds to those districts with the greatest need.

The Committee has reviewed the results of the recent study of construction requirements referred to as the Dole Report. In light of this report, the Committee encourages the Department of Education and the Department of Defense to make every effort to better coordinate available school construction funds under Section 5, Section 10, and Section 14(c) of Public Law 81-815 in order to carry out the school construction needs identified in the Dole Report.

### *Potential impact of base closings*

It is anticipated that 86 military facilities nationwide will close over the next five years in compliance with the recommendations of the Commission on Base Realignment and Closure. The Commit-

tee requests that the Department work closely with the Defense Department on this matter in order to assess the demands that base closure will place on the Impact Aid program including transition payments to schools suffering decreased enrollment and to ensure that the timing of military family movements does not unduly disrupt affected schools.

#### SCHOOL IMPROVEMENT PROGRAMS

The bill includes \$1,170,527,000 for school improvement programs. This amount is \$47,560,000 below the 1989 appropriation, and \$90,243,000 below the amount requested in the budget for 1990. This appropriation account includes programs for educational improvement authorized under chapter 2 of title I of the Elementary and Secondary Education Act of 1965 and a number of related programs. The specific amounts provided for each activity are displayed in the following table:

#### SCHOOL IMPROVEMENT PROGRAMS

	Fiscal year 1989 comparable	Fiscal year 1990 budget request			Fiscal year 1990 Committee bill
		January budget request	Bush revisions	Revised budget request	-
<b>Educational improvement partnerships (Chapter 2):</b>					
State block grants.....	\$462,977,000	\$478,718,000		\$478,718,000	\$462,977,000
<b>National programs:</b>					
National Diffusion network.....	11,066,000	11,200,000		11,200,000	11,200,000
Inexpensive book distribution (including RIF).....	8,398,000	8,684,000		8,684,000	8,684,000
National school volunteers.....	988,000				
Arts in education.....	3,458,000	3,582,000		3,582,000	3,582,000
Law—related education.....	3,952,000	3,952,000		3,952,000	5,000,000
Blue ribbon schools.....	889,000	1,100,000		1,100,000	1,000,000
Subtotal, National programs.....	28,751,000	28,518,000		28,518,000	29,466,000
Total, Chapter 2.....	491,728,000	507,236,000		507,236,000	492,443,000
<b>Drug free schools and communities:</b>					
State grants.....	287,730,000	297,513,000		297,513,000	297,513,000
Teacher training.....	7,000,000	7,238,000		7,238,000	7,238,000
<b>National programs:</b>					
Regular programs.....	59,770,000	61,802,000		60,802,000	60,802,000
Urban emergency grants, proposed legislation.....			\$25,000,000	25,000,000	
National commission.....					1,000,000
Subtotal, drug free schools and communities.....	354,500,000	366,553,000	25,000,000	391,553,000	366,553,000
<b>Strengthening teaching and administration:</b>					
<b>Mathematics and science education:</b>					
State grants.....	128,440,000	132,807,000		132,807,000	96,000,000
National program.....	8,892,000	9,194,000		9,194,000	4,000,000
Subtotal, Math & science education.....	137,332,000	142,001,000		142,001,000	100,000,000
<b>Fund for the improvement and reform of schools and teaching:</b>					
Grants for schools and teachers.....	3,952,000	3,952,000		3,952,000	3,952,000

## SCHOOL IMPROVEMENT PROGRAMS—Continued

	Fiscal year 1989 comparable	Fiscal year 1990 budget request			Fiscal year 1990 Committee bill
		January budget request	Bush revisions	Revised budget request	
Family-school partnerships .....	1,976,000	1,976,000		1,976,000	1,976,000
Subtotal, FIRST .....	5,928,000	5,928,000		5,928,000	5,928,000
Alternative teacher/principal certification, proposed legislation .....			25,000,000	25,000,000	
Presidential awards for excellent teachers, proposed legislation .....			7,600,000	7,600,000	
Territorial teachers training .....	1,976,000	1,568,000		1,568,000	1,568,000
Leadership in Educational Administration (LEAD) .....	4,306,000	3,894,000		3,894,000	3,894,000
Christa McAuliffe Fellowships .....	1,892,000	1,956,000		1,956,000	1,956,000
Other school improvement programs:					
Magnet schools assistance, regular program .....	113,620,000	114,620,000		114,620,000	114,620,000
Fund for Innovation in Education .....	11,150,000	15,678,000		15,678,000	20,678,000
(Transfer of funds) (non-add) .....	(4,528,000)				
Javits gifted and talented education .....	7,904,000	7,904,000		7,904,000	7,904,000
Education of homeless children & youth:					
State activities .....	4,834,000	4,998,000		4,998,000	4,998,000
Exemplary activities .....			2,500,000	2,500,000	2,500,000
Women's educational equity .....	2,949,000				2,949,000
Training and advisory services (Civil Rights IV-A) .....	23,443,000	23,443,000		23,443,000	23,443,000
Dropout prevention demonstrations .....	21,736,000				
General assistance to the Virgin Islands .....	4,730,000	4,891,000		4,891,000	4,891,000
Ellender fellowships .....	3,458,000				4,000,000
Follow through .....	7,262,000				7,262,000
Star schools .....	14,399,000				
Native Hawaiian Education Act .....	4,940,000				4,940,000
Subtotal, other school improvement programs .....	220,425,000	171,534,000	2,500,000	174,034,000	198,185,000
Total, School improvement programs .....	1,218,087,000	1,200,670,000	60,100,000	1,260,770,000	1,170,527,000

*State block grants*

The bill includes \$462,977,000 for grants for State and local programs under chapter 2 of title I of the Elementary and Secondary Education Act of 1965, \$15,741,000 below the budget request and the same as the amount appropriated in 1989. The purpose of chapter 2 is to provide support for school improvement, innovative activities, and effective schools. Eligible activities include programs for students at risk of failure or dropping out, acquisition of educational materials, innovative programs for schoolwide improvement, training and professional development, programs to enhance personal excellence, and "other innovative projects". Under chapter 2, program administration is a State responsibility, but program design and implementation is basically the responsibility of local educational agencies, which receive at least 80 percent of each State's allotment. Grants are made to States and Outlying Areas according to a formula based on population age 5 through 17 years

old, with no State to receive less than 0.5 percent of the total allotment. Not more than 20 percent of each State grant may be used for State programs under chapter 2, including State administration, technical assistance to local educational agencies, and effective schools programs.

### *National Programs*

#### *National Diffusion Network*

For the chapter 2 National Diffusion Network, the bill includes \$11,200,000, \$134,000 over the 1989 amount and the same as the budget request. The purpose of the Network is to capitalize on successful investments in research, development, and demonstration programs that are not being used outside of the districts where they were first developed. The Network seeks to improve the quality of education by identifying successful programs, communicating the results to potential users, and providing training and other technical assistance for implementation. A Program Effectiveness Panel determines which programs will be included in the Network. The increased level of funding should allow support of approximately 80 grants for developer/demonstrator projects, 5 dissemination process projects, 57 State facilitators, and 1 private school facilitator.

#### *Inexpensive book distribution*

For the chapter 2 inexpensive book distribution program, which is currently operated by Reading Is Fundamental, the bill includes \$8,684,000, \$286,000 over the 1989 amount and the same as the budget request. The purpose of this program is to buy inexpensive books, offer them through local community programs to children from low-income families, and motivate children to read. A recent survey of program participants found that the program stimulated greater involvement by parents in their children's reading activities and that it has a beneficial impact on school-community relations. The purchase and distribution of books is carried out through about 3,000 subcontracts to local, volunteer community associations. The 1990 funds will be used to distribute more than 6.9 million books to over 2.1 million children.

#### *Arts in education*

For the chapter 2 arts in education program, the bill includes \$3,582,000 \$124,000 over the 1989 amount and the same as the budget request. The purpose of this program is to support arts programs in elementary and secondary education and to conduct demonstration programs for the involvement of handicapped persons in the arts. Two awards are provided: one to the John F. Kennedy Center for the Performing Arts and the other to the Very Special Arts program. The Kennedy Center provides support for the Alliance for Arts Education, a network of State committees to integrate arts into basic education programs, as well as Programs for Children and Youth, the American College Theater Festival, and the National Symphony Orchestra Education Program, all of which allow youth to attend and participate in live performances. The Very Special Arts program supports the development of programs

integrating the arts into the general education of disabled children and the lives of disabled adults, through performances, workshops, technical assistance, and training.

### *Law-related education*

For the chapter 2 law-related education program, the bill includes \$5,000,000, an increase of \$1,048,000 over the 1989 amount and the budget request. The purpose of this program is to provide students with knowledge and skills pertaining to the law, the legal process, the legal system, and the fundamental principles and values on which these are based. Funds are used to implement model programs in the classroom and to develop, test, demonstrate and disseminate model approaches or techniques relevant to law-related education. Competitive grants are awarded to State and local educational agencies or other public or private agencies, organizations, or institutions. The 1989 appropriation supports 32 competitive awards.

### *Blue ribbon schools*

For the chapter 2 Blue ribbon schools program, the bill includes \$1,000,000, \$111,000 over the 1989 amount but \$100,000 less than the budget request. This program supports the competitive selection of schools and school programs in recognition of their quality. Schools must submit applications for recognition, with programs judged according to criteria determined for the Secretary by non-Federal experts who travel to each school site. The 1990 funds will support recognition of outstanding elementary schools. The Committee has reduced this request by \$100,000 to reflect what it believes was an excessive increase for travel expenses.

### *Drug free schools and communities*

The Committee bill includes \$366,553,000 for the drug free schools and communities programs. Of this amount, \$297,513,000 is for State grants, an increase of \$9,783,000 over the 1989 level and the same as the budget request. For teacher training, \$7,238,000 is provided, \$238,000 over the 1989 amount and the same as the budget request. For national programs, \$60,802,000 is provided, an increase of \$1,032,000 over the 1989 amount.

The Committee has not included funds at this time for urban emergency grants for which the budget requested \$25,000,000. Authorizing legislation has not yet been enacted for these grants to seriously affected urban school systems. The Committee would have no objection to a reprogramming of funds for this purpose should it be authorized by early in 1990. The decision as to whether such a program should be created is currently being reviewed by the authorizing committees.

In the State grant program, each State must allot 30 percent of its Federal grant for the use of the Governor and 70 percent for the use of the State educational agency. The Governor must spend not more than 50 percent for awards to local governments and other public or nonprofit entities for the development and implementation of drug abuse prevention and education programs, and not less than 50 percent for community-based services for high-risk youth. The State educational agency must use not more than 10 percent of

its allotment for activities such as training and technical assistance, development and dissemination of drug abuse materials, demonstration projects, and administrative costs. The State agency must use at least 90 percent of its funds for grants to local educational agencies and consortia.

The Committee has increased funding for the Drug Free Schools program repeatedly over the last three years. Appropriations have increased from \$3 million in 1986 to over \$350 million during the current year. The Committee is concerned about the ability of States to absorb this large increase and use funds effectively. The Committee expects to be informed regularly about this issue and will expect a formal report on obligations and expenditures at the State and local level prior to next year's hearings. The Committee is hopeful that data will be available at that time on what types of services and products are being purchased with Federal funds.

Under the teacher training program, funds are awarded competitively to educational institutions for training educational personnel about drug and alcohol abuse education and prevention.

For the national program, the Secretary of Education administers a wide variety of activities designed to reduce drug abuse in schools. Funds may be used to develop and implement programs of drug abuse education and prevention, operate teacher and staff training programs, undertake research and demonstration projects, disseminate information and curricular materials, provide technical assistance to States, and operate regional centers designed to train school teams to combat drug and alcohol abuse.

The Committee has also included \$1,000,000 to support the National Commission on Drug Free Schools authorized by the 1988 Drug Abuse Amendments.

### *Mathematics and science education*

The bill includes \$100,000,000 for the Dwight D. Eisenhower Mathematics and Science Education Act, a reduction of \$42,001,000 below the budget request and \$37,332,000 below the 1989 level. This program provides assistance to State and local educational agencies, and State higher education agencies for activities to improve the quality of mathematics and science teaching in elementary and secondary education. Under the program, \$96,000,000 will be used for State grants. Seventy-five percent of each State's grant is to be used for elementary and secondary education programs; the remaining 25 percent is to be used for higher education programs that will improve mathematics and science instruction in elementary and secondary schools.

Of the total for math and science, \$4,000,000 is set aside for programs of national significance to improve mathematics and science instruction. These funds are administered by the Secretary as competitive grants. The basic law provides that 4 percent of the total appropriated for math and science is to be allocated to national programs.

The Committee has reduced funding for this program based on its belief that the targeted math and science programs of the National Science Foundation (NSF) are a better mechanism for improving math and science education in this country. The President has requested \$190 million for the NSF program in 1990. Grants

under the Department of Education program are allocated by formula with average grants of only \$5,000 to a school district. The Committee does not consider this diffused funding to be as effective as the NSF program. The Committee requests a report prior to the fiscal year 1991 hearings on efforts to coordinate math and science programs with those of the National Science Foundation.

*Fund for the improvement and reform of schools and teaching*

The bill includes \$5,928,000 for the Fund for the Improvement and Reform of Schools and Teaching (FIRST), the same as the 1989 amount and the budget request. This fund awards two kinds of grants—grants for schools and teachers, and grants for family-school partnerships. Of the recommended amount, \$3,952,000 is provided for grants for schools and teachers. These grants support activities that are intended to help educationally disadvantaged students meet increased standards, provide incentives for improved performance, improve the status of teachers, and refocus school resources to better serve children. For grants for family-school partnerships, the Committee recommends \$1,976,000. These grants are intended to increase family involvement in children's educational achievement. Only local educational agencies eligible for chapter 1 (compensatory education) can receive family-school partnership grants.

*Alternative teacher/principal certification*

The bill includes no funds for this new program for which authorizing language has not yet been enacted. The budget request is for \$25,000,000 to help States develop alternative routes to certification for teachers and principals. Should this program be authorized, the Committee will consider its funding in subsequent appropriation bills for the Department of Education.

*Presidential awards for excellent teachers*

The bill includes no funds for this new program for which authorizing language has not yet been enacted. The budget request is for \$7,600,000 to provide awards to outstanding elementary and secondary school teachers. Should this program be authorized, the Committee will consider its funding in subsequent appropriation bills for the Department of Education.

*Territorial teacher training*

The Committee recommends a total of \$1,568,000 for Territorial teacher training, the same as the budget request and \$408,000 below the 1989 level. This assistance is specifically for training teachers in Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Republic of Palau. The reduction in this program is related to changes in the basic law which modify eligibility for certain of the territories.

*Leadership in Educational Administration Development (LEAD)*

The Committee bill includes \$3,894,000 for Leadership in Educational Administration Development (LEAD), a decrease of \$412,000 below the 1989 level and the same as the budget request. Under this program, the Secretary of Education makes grants for the op-

eration of training and assistance centers for upgrading the leadership skills of elementary and secondary school administrators. These centers focus on the identification, assessment, and development of leadership skills for new and practicing school administrators, with particular emphasis on women and minority administrators.

#### *Christa McAuliffe fellowships*

The bill includes \$1,956,000 for Christa McAuliffe fellowships, the same as the budget request and an increase of \$64,000 above the 1989 level. The purpose of this program is to help talented public and private school teachers upgrade their teaching skills. The Secretary of Education is authorized to award one national teacher fellowship in each congressional district and in each of the outlying areas for study or research sabbaticals, consultations with other schools, development of innovative programs, or model teacher programs and staff development. Within the amount provided, the Secretary of Education allocates funds so that each State or Territory receives enough funding to make at least one grant at the national average teacher salary. The remainder of the funds are distributed based on each State's share of public school teachers. The Committee's recommended funding level will support approximately 100 fellowship awards.

#### *Magnet schools assistance*

The bill includes \$114,620,000 for the existing magnet schools assistance program, \$1,000,000 above the 1989 level and the same as the budget request. The magnet schools assistance program authorizes grants to local educational agencies for use in establishing or operating magnet schools that are part of a desegregation plan approved by a court or by the Department of Education's Office for Civil Rights. A magnet school is defined by the statute as "a school or education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds." Funding priority is given to local educational agencies that have not participated during the most recent funding cycle. The 1990 appropriation will support districts in the second year of a 2-year funding cycle. The Committee's recommendation is estimated to support 58 awards at an average level of \$2,000,000. The \$1,000,000 increase over 1989 is to support an evaluation of magnet school programs.

#### *Fund for innovation in education*

The bill includes \$20,678,000 for the Secretary's fund for innovation in education, an increase of \$5,000,000 over the 1989 operating level and the budget request. The fund authorizes the Secretary of Education to support activities with the prospect of identifying and disseminating innovative educational approaches. Authorized activities delineated in the statute include: an optional test for academic excellence; technology education programs; programs to strengthen computer education resources; and comprehensive school health education programs. The Committee believes that this program can be used to support grants for technology education authorized by section 6115 of P.L. 100-418 and has included



funds for this purpose in its recommendation. The specific amount should be determined by the Secretary.

The bill includes \$3,000,000 to initiate a new program under this appropriation to improve educational performance and employment opportunities for "underachieving" students. The Committee is concerned that too many of this Nation's youth are not achieving at levels to which they are capable. The mediocre performance of these students prevents them from successfully entering today's labor force. The funds added by the Committee will support six to ten projects demonstrating effective strategies for helping students maximize their potential. The goal of the program is to increase the percentage of students who complete high school successfully and go on to enter the labor force or post secondary education.

The Committee is concerned that, despite authorization of a separate Office of Comprehensive School Health Education within the Office of the Secretary, and an appropriation of \$3,000,000 in fiscal year 1989, the Office has not yet been established. The Committee, therefore, directs the Secretary to establish, staff, and operate the Office of Comprehensive School Health Education.

#### *Jacob K. Javits gifted and talented students education*

The Committee recommends \$7,904,000 for the Jacob K. Javits gifted and talented students education program, the same as the 1989 level and the budget request. This program provides assistance to State and local education agencies, higher education institutions, and other agencies for research, demonstration, training, and other activities to identify and meet the educational needs of gifted and talented students.

#### *Education of homeless children and youth*

For the education of homeless children and youth program, authorized by the Stewart B. McKinney Homeless Assistance Act, the Committee recommends \$7,498,000, \$2,664,000 above the 1989 level and the same as the budget request. Of the recommended level, \$4,998,000 is for State activities. The remaining \$2,500,000 is for first-time funding of grants for exemplary activities. Authorized State activities include (1) establishing a coordinator of education for homeless youth to gather data on the number and location of homeless children and their special educational needs, and (2) developing State plans for the education of each homeless child or youth, including the maintenance of school records. The grants for exemplary programs are for those programs that have demonstrated success in addressing the needs of homeless students in elementary and secondary schools, and for dissemination of information about these successful efforts.

#### *Women's educational equity*

The Committee bill includes \$2,949,000 for the women's educational equity act program, the same amount as the 1989 level. No funds were contained in the budget request for this program. This program supports national, statewide, and other projects designed to promote equality of education for women through such means as guidance and counseling activities, pre-service and in-service train-

ing for educators, and courses for underemployed and unemployed women.

#### *Training and advisory services*

The bill includes \$23,443,000 for training and advisory services authorized by title IV-A of the Civil Rights Act, the same as the budget request and the 1989 amount. Title IV-A authorizes technical assistance and training services for local educational agencies to address problems associated with desegregation on the basis of race, sex, or national origin.

#### *Dropout prevention demonstrations*

No funds have been included in the bill at this time for the dropout prevention program which received \$21,736,000 in 1989. No funds were requested in the President's budget. This program was originally authorized as a two-year demonstration authority which expires in 1989. More recently legislation has passed the House and is pending in the Senate to provide for additional dropout demonstrations in 1990. Should this legislation become law, the Committee would reconsider funding on an expedited basis.

#### *General Assistance to the Virgin Islands*

The bill includes \$4,891,000 for general assistance to the Virgin Islands, \$161,000 above the 1989 level and the same as the budget request. This program provides general assistance to improve public education in the Virgin Islands.

#### *Ellender fellowships (Close-Up)*

The bill includes \$4,000,000 for the Ellender fellowship program, an increase of \$542,000 above the 1989 amount. The budget did not request funds for this program. This program provides fellowships to disadvantaged secondary school students, secondary school teachers, economically disadvantaged older Americans, and recent immigrants. Fellowship recipients receive practical experience in the activities of the legislative, executive, and judicial branches of the Federal Government. These funds are currently administered by the Close-Up Foundation.

#### *Follow Through*

The bill includes \$7,262,000 for the Follow through program. This is the same as 1989 amount. There was no budget request for this program. Follow through is an experimental program instituted to design and disseminate outstanding models of compensatory education for low-income children in the early elementary grades.

#### *Star schools*

The bill does not include funds for the star schools program, which received \$14,399,000 in 1989. No funds were requested in the budget. This program has supported the development of statewide or multi-State telecommunications partnerships. These partnerships have helped to increase the availability of courses in mathematics, science, and foreign languages and to train teachers in the use of telecommunications equipment. Recipients were first selected in 1988 and received continuation funding in 1989. A total of \$35

million has now been expended on these programs. Given competing priorities for scarce funding, the Committee did not believe that additional demonstrations could be funded in 1990.

### *Native Hawaiian education*

The bill includes \$4,940,000 for the Native Hawaiian Education Act programs, the same as the 1989 level. There was no budget request for these programs. These programs support curriculum development, family-based education, student assistance, gifted and talented demonstration activities, and special education projects. All of these efforts are focused on native Hawaiians. The Committee requests that the Department include in its 1991 budget submission more detailed information on the number of native Hawaiians, what portion are receiving assistance, relative educational disadvantage and types of services provided.

### **BILINGUAL, IMMIGRANT, AND REFUGEE EDUCATION**

The bill includes \$194,761,000 for activities under the bilingual, immigrant, and refugee education account which are currently authorized. This is \$7,000,000 above the 1990 budget request and an increase of \$13,175,000 over the 1989 appropriation. The Committee has deferred consideration of \$16,345,000 requested for refugee education programs since authorization for these activities expires in 1989. The bill provides \$164,113,000 for bilingual education authorized by title VII of the Elementary and Secondary Education Act of 1965 and \$30,648,000 for immigrant education programs.

In general, Federal bilingual education activities are designed to help limited English proficient students acquire the English language proficiency necessary to enter all English classes, while simultaneously meeting grade promotion and graduation standards. Beginning in 1989, the Department of Education began to implement recent changes in the basic law for bilingual education programs which mandate increased flexibility in funding at the local level, primarily for the support of quality transitional bilingual programs and special alternative instructional programs.

### *Bilingual programs*

Of the amount available for bilingual education under title VII, \$120,797,000 is provided for grants to school districts, \$5,000,000 above the budget request and \$10,036,000 more than the 1989 appropriation. This amount includes funds for transitional bilingual education, special alternative instruction, developmental bilingual education, family English literacy programs, the Academic Excellence program, and special populations (preschool, special education, and gifted and talented projects). This funding level is expected to support services to more than 275,000 students. The funds added by the Committee are to be reserved for grants for programs of developmental bilingual education.

The Committee is aware that the Department has made bilingual education and transitional bilingual education awards to school districts serving students who were limited English proficient because of residual bilingualism. Although the Department approved and funded the applications when submitted in fiscal years 1984, 1985,

and 1986, the Department is now claiming that the payments were improperly made and attempting to have the school districts repay the funds. The Committee is concerned by this apparent dual standard, and encourages the Secretary to reconsider his decision. The Committee believes that, if not precluded by statute, the Department should give due consideration to the "good faith standard" in judging the original actions of these districts.

#### *Support services*

The bill includes \$10,903,000 for bilingual education support services, the same as the budget request and \$131,000 more than the 1989 appropriation. These services provide research, data collection, and dissemination of information about programs for limited English proficient students. State educational agencies that apply for grants receive a minimum award of \$75,000, with no award exceeding 5 percent of the sum provided for all local projects within the State in the previous year. Funds are also provided for the National Clearinghouse on bilingual education, evaluation assistance centers, and studies and evaluations designed to provide information for program administrators.

#### *Training grants*

The bill includes \$32,413,000 for training grants and contracts, \$2,000,000 above the budget request and the 1989 appropriation. These grants support educational personnel training, short-term training institutes, multifunctional resource centers, fellowship programs, and training development and improvement programs. The Department is directed to award at least 500 graduate level fellowships from the funds allocated to training.

#### *Immigrant education*

The bill includes \$30,648,000 for immigrant education, the same as the budget request and an increase of \$1,008,000 over the 1989 appropriation. This program is authorized under title IV of the Elementary and Secondary Education Act of 1965. The program provides grants to States with school districts enrolling substantial numbers of immigrant children. Awards are used to help cover the cost of providing supplemental educational services to these students. Participation is limited to States with school districts enrolling 500 such students or where immigrant children represent at least 3 percent of the enrollment. The 1990 budget request proposes to make legislative amendments to the immigrant education program. Since these amendments have not yet been enacted, the Committee has appropriated funds for the currently authorized programs. The Committee believes, however, that the committees of jurisdiction should consider amendments which would further target funds on communities with the most severe problems by establishing higher student concentrations as a condition for assistance. Under current law, funds are distributed so broadly that they are of limited effectiveness.

## EDUCATION FOR THE HANDICAPPED

The bill includes \$2,063,827,000 for education of the handicapped programs, authorized by Public Law 94-142. This is \$50,000,000 above the 1990 budget request and an increase of \$102,539,000 over the 1989 appropriation.

*Grants to States*

To maintain the Federal commitment to assist States in educating children with handicaps, the bill provides \$1,564,017,000 for basic State grants. This is \$38,403,000 above the budget request and an increase of \$88,568,000 over the 1989 level. This funding level represents approximately 7 percent of the national average "excess" expenditure for students who are handicapped and will provide approximately \$350 per child for the approximately 4.3 million children with handicaps expected to be served during the 1990-91 school year. This program is forward funded so the 1990 appropriation will not be obligated until July 1, 1990. Students with learning disabilities constitute approximately 49 percent of the 6 through 21 year old population served under the basic State grant program.

The Committee is concerned that the definition of qualifying handicaps currently being used by the department may be excessively broad or, as a minimum, may lack sufficient detail to ensure that assistance goes to the neediest students. The Committee therefore requests that the Comptroller General review these definitions and conduct a sample review of their application by local authorities. A report should be submitted to the Committee prior to hearings on the fiscal year 1991 appropriation bill.

*Preschool grants*

The bill includes \$252,000,000 for preschool grants, an increase of \$5,000,000 above the budget request and the 1989 appropriation. The Education of the Handicapped Act Amendments of 1986, P.L. 99-457, authorized significantly larger appropriations for this program than had existed under previous law to encourage States to adopt full-service special education mandates for all children with handicaps from age 3 through 5 years. Each 3 to 5 year old child who receives special education and related services can be counted twice, once for allocations under the basic grant program and once for preschool grants. During the phase-in period from fiscal years 1987 through 1989, the program had a two-track funding formula. Beginning in fiscal year 1990, allocations are based on the number of children reported as served for the fiscal year in which allocations are made. For the 1990-91 school year, this funding level will provide approximately \$600 per child for the estimated 350,000 children expected to be served. This is 25,000 more children than were served during the 1989-1990 school year. The increase provided by the Committee may be used to provide more funding for existing students or to expand participation. The Committee expects that any unused 1989 funding for this program will be added to the basic grant for 1990.

### *Grants for infants and families*

The bill provides \$77,205,000 for grants for infants and families, an increase of \$5,000,000 above the budget request and an increase of \$7,374,000 over the 1989 amount. As authorized by P.L. 99-457, this program provides assistance to States for the development of statewide systems to provide early intervention services for handicapped infants and toddlers between birth and age 2 years and their families. All States have voluntarily chosen to participate in the program. By the beginning of the fifth year of program participation, states are required to have developed and implemented a statewide system of coordinated, comprehensive, multi-disciplinary programs providing appropriate early intervention services to all infants and toddlers with handicaps and to their families. Until that time, States are to be involved in program planning and development, and the adoption of policies incorporating certain requirements of the Federal law.

### *Deaf-blind projects*

The bill includes \$14,189,000 for projects for deaf-blind children and youth, the same as the 1989 appropriation. The Administration proposed combining the appropriations for deaf-blind projects and severely handicapped projects with a total request of \$19,486,000, the same as the 1989 appropriation for the two activities. The Committee bill maintains these two activities as separate programs. Deaf-blind project funds are used to support over 40 regional centers serving deaf-blind children and youth, and for technical assistance grants and model demonstration projects for the education of deaf-blind children and youth. P.L. 99-457 authorized the Secretary of Education to provide assistance under the deaf-blind program for extended school year demonstration projects for children and youth with severe handicaps, including deaf-blind children, and to use the section's funding for activities such as those authorized under the severely handicapped program described below.

### *Severely handicapped projects*

For grants to serve children with severe handicaps, the bill includes \$5,297,000, the same as the 1989 level. The grants under this program focus on activities addressing the needs of children and youth with severe handicaps in the areas of research, demonstration, training, and information dissemination. The 1990 funds will be used to support current projects in such areas as extended school year programs, and interventions in regular classrooms, as well as to fund new projects in these and other areas.

### *Early childhood education*

The bill includes \$23,147,000 for the early childhood education program, the same as the budget request and the 1989 amount. The purpose of this program is to improve services for infants, toddlers, and children with handicaps from birth through 8 years of age. Grants support research and demonstrations, training on the use of exemplary programs, a technical assistance development system to assist grantees and State agencies expand and improve services to children with handicaps, and early childhood research institutes.

### *Secondary and transitional services*

For secondary and transitional services, the bill includes \$7,284,000, the same as the 1989 level and the budget request. This program provides assistance to strengthen and coordinate services for the transition of youth with handicaps from secondary school to postsecondary education, employment, and adult life and services, and to improve secondary special education. Funded activities may include improvement of vocational and life skills, studies of drop-outs, demonstration projects and technical assistance in the area of transition, and physical education and therapeutic recreation programs to increase the potential of youth with handicaps for community participation. This level of funding will provide for continued support of projects in the areas of supported employment, tracking and follow-up services, and family networking. Funds should also be available for new projects in these and other areas.

### *Postsecondary programs*

The bill includes \$5,770,000 for postsecondary programs, including support for postsecondary institutions that provide model comprehensive support services to serve deaf students. During 1989, these centers will undergo a new competition. Under the Education of the Handicapped Act, these institutions receive at least \$2,000,000 per year from the program's appropriation. Fiscal year 1990 funds will support four institutional awards as well as new awards for demonstration projects in postsecondary education for students with handicaps.

### *Innovation and development*

For innovation and development, the bill provides \$17,026,000, the same as the 1989 level and the budget request. This program funds research and development projects, student-conducted research in institutions of higher education, and model demonstration projects to improve educational opportunities for children with handicaps and the capabilities of their teachers. Assistance is also available for activities relating to early intervention for infants and toddlers with handicaps, and for projects to develop instruments to measure progress in the development of infants, toddlers, children, and youth with handicaps. In 1990 funds will be used to support existing and new projects including two research institutes, and projects on the synthesis of research findings, comprehensive service models for schools, research implementation, seriously emotionally disturbed children, and other areas.

### *Media and captioning services*

For the media and captioning services program, the bill includes \$15,000,000, an increase of \$1,597,000 above the 1989 level and the budget request. This program supports the captioning of films and television programs for the deaf, production of textbooks-on-tape for blind students and theater programs for the deaf. During 1989, funds were used for close-captioning of local and regional television programs and sports and to subsidize the production of closed caption television decoders. \$500,000 of the increase included by the

Committee is to expand current programs producing textbooks-on-tape for for the blind.

The Committee has not included 1990 funds to continue the subsidy for production of television decoders for the hearing impaired. This technology is now fully developed and affordable. The Committee believes that these funds should be redirected towards the development of new technologies for this same population.

The Committee has heard testimony about the potential for the development of a new service of descriptive video for the blind. This system is intended to enhance the capacity of visually impaired individuals to use television through augmented audio transmitted with regular programming. Notwithstanding its theoretical benefits, the Committee believes there are a series of questions which need to be answered prior to a federal commitment of funds. The most important are potential cost and commercial viability. The Department is requested to provide a report prior to the 1991 hearings on the programmatic, fiscal and regulatory issues surrounding this proposal.

### *Special education technology*

The bill includes \$4,730,000 for special education technology, the same as the 1989 level and the budget request. This program, first authorized by P.L. 99-457, provides Federal assistance to advance the use of new technology, media, and materials in the education of students with handicaps and in the provision of early intervention services. In addition to research on technology and its impact, the program supports two centers for the exchange of information on technology.

### *Special studies*

The bill provides \$3,594,000 for special studies to evaluate P.L. 94-142, the same as the budget request and the 1989 level. In 1990, funds will be used to continue technical support for the annual report, to provide funding for the fourth year of the longitudinal study of children with handicaps leaving special education, to support evaluation studies undertaken by cooperative agreements with States, and to fund a new study on the measurement of student outcomes.

### *Special education personnel development*

The bill includes \$67,095,000 for special education personnel development, the same as the 1989 level and the budget request. This program supports activities to assure that there will be an adequate supply of qualified special education and support personnel through grants to institutions of higher education and other non-profit agencies. Contracts are also authorized to prepare personnel in areas where shortages exist and which are inadequately served by the grant process. Since 1983, this program also has supported grants to non-profit organizations to undertake parent training and information programs, with 10 percent of the appropriation set aside for such grants. Grants are also authorized for the development of new approaches to preservice training of teachers working with secondary school students and for in-service training of personnel providing early intervention services. Funds will be used in



1990 to support continuation projects for all current program priorities including leadership, rural education, transition, infants, parents, and State educational agency needs and to fund new projects in these and other areas.

#### *Recruitment and information clearinghouses*

For recruitment and information clearinghouses, the bill includes \$1,135,000, the same as the 1989 level and the budget request. This program funds 3 clearinghouses to disseminate information and provide technical assistance to parents, professionals and other interested parties; to provide information on postsecondary programs and services for children with handicaps; and to encourage students and professionals to seek and obtain careers and employment in special education and related fields.

#### *Regional resource centers*

The bill includes \$6,338,000 for regional resource centers, the same as the 1989 level and the budget request. These centers provide technical assistance to State governments and, through them, to localities to disseminate information on and encourage the replication of exemplary programs and practices providing special education and related services to children with handicaps. A national coordinating technical assistance center is also authorized. This center focuses on technical assistance in national priority areas set by the Secretary. Funds provided for 1990 will support the continuation of the six regional centers and the national coordinating center.

### REHABILITATION SERVICES AND HANDICAPPED RESEARCH

The bill includes \$1,743,973,000 for rehabilitation services and handicapped research. This is an increase of \$17,589,000 over the 1990 budget request and \$70,753,000 over the 1989 appropriation. The programs of this account are authorized by the Rehabilitation Act of 1973, the Helen Keller National Center Act, and the Technology-Related Assistance for Individuals with Disabilities Act of 1988.

#### *Vocational rehabilitation State grants*

For vocational rehabilitation State grants, the bill includes \$1,502,123,000, the same as the budget request and an increase of \$52,123,000 over the 1989 amount. This program supports basic vocational rehabilitation services through assistance to the States. States in turn support a wide range of services designed to help physically and mentally disabled persons prepare for and engage in gainful employment to the extent of their capabilities. During 1987, the most recent year for which data is available, the State grant program served 917,482 handicapped persons. Of this number, 219,616 persons completed the program and were rehabilitated, 129,529 left the program but were not rehabilitated, and 568,337 were still receiving services at the end of the year. Emphasis is placed on services to the most severely handicapped. States are entitled to minimum grants at last year's level plus an adjustment for inflation.

*Supported employment State grants*

For supported employment State grants, the bill includes \$27,868,000, the same as the budget request and an increase of \$641,000 over the 1989 amount. These grants assist States in developing collaborative programs with public agencies and nonprofit agencies for training and post-employment services leading to supported employment. In supported employment programs, severely handicapped persons are given special supervision and assistance to enable them to perform a job.

*Client assistance*

The bill includes \$7,959,000 for the client assistance program, the same as the budget request and an increase of \$184,000 over the 1989 amount. A client assistance program is required in each State as a condition of receipt of a basic State grant. These programs help handicapped persons overcome problems with the service delivery system and improve their understanding of services available to them.

*Special demonstration projects*

The bill includes \$31,994,000 for special demonstration projects, \$15,000,000 above the budget request and \$14,794,000 above the 1989 amount. This program authorizes discretionary awards on a competitive basis to public and private organizations to support demonstrations and related activities for the severely disabled. Funds are also used to support 13 regional multidisciplinary systems to serve persons with spinal cord injuries.

*Head injury centers.*—The Committee is increasingly concerned about the substantial cost to society resulting from traumatic head/brain injury. The Committee believes that many of these injuries are predictable and preventable and that efforts to modify and reduce their effects can and should be expanded. The bill therefore includes \$15,000,000 for a new system of demonstration grants to initiate a regional system of comprehensive head injury rehabilitation and prevention centers. These funds are to be used to make four awards for one-time start-up costs of comprehensive centers with grants made on a multi-year basis for not to exceed four years. No additional appropriation will be required beyond the amount in the 1990 bill. Grants should be made to qualifying organizations selected on a competitive basis. These model centers should demonstrate improved systems of prevention, acute care, and rehabilitation directed at reducing the human and economic consequences of traumatic head/brain injury, with special emphasis on vocational rehabilitation, retraining, and placement. Their activities should emphasize: (1) prevention; (2) outreach; (3) identification and elimination of barriers to effective rehabilitation services; (4) systemization of care (improving the organization of the spectrum of services required by traumatic head/brain injury victims); and (5) follow-up by families, schools, and rehabilitation providers. The Secretary should give priority to proposals from States or regions of the country where the incidence of head injury is high relative to the national average. These awards are to be made competitively.

### *Supported employment projects*

For supported employment projects, the bill provides \$9,406,000, the same as the budget request but \$114,000 below the 1989 amount. Projects are authorized at the national, State, and local levels for paid work in a variety of settings, particularly at regular work sites, especially designed for severely disabled persons for whom competitive employment at or above the minimum wage is considered unlikely. Discretionary awards are made on a competitive basis to public and nonprofit rehabilitation facilities, designated State units, and public or private organizations. In 1989, this program is supporting 30 projects, including 17 Statewide projects, 11 community based projects, and 2 national projects.

### *Model transition grants*

No funds have been provided for model transition grants, which received \$475,000 in 1989; the Administration did not request an appropriation for this program. This program has provided services for youth who are leaving educational and other institutional settings to become more productive and independent members of their communities. The legislation requires grants to be made in three specific parts of the country. The Committee believes that the needs of these students can be met through broader-based programs such as those funded under the Education of the Handicapped account. These include the "secondary and transitional services" activity funded at \$7,284,000 in 1990.

### *Recreational programs*

For recreational programs, the bill provides \$2,589,000, approximately the same as the 1989 amount; the Administration did not request an appropriation for this program. This program provides disabled persons with recreational and related activities to aid in their mobility and socialization. Discretionary grants are made on a competitive basis to States, public agencies, and nonprofit private organizations, including institutions of higher education. Awards are required to be funded for at least three years in duration. In 1989, 31 grants were supported through this program, primarily for projects conducted at the local and community level.

### *Migratory workers*

For programs serving migratory workers, the bill provides \$1,087,000, the same as the budget request and approximately the same as the 1989 amount. These programs make comprehensive vocational rehabilitation services available to disabled migrant or seasonal farmworkers. Projects emphasize outreach activities, specialized bilingual rehabilitation counseling, and coordination with services from other sources. Funds are awarded through discretionary grants to State vocational rehabilitation agencies. This program supported 11 projects in 1989, providing services to an estimated 3,000 disabled persons.

### *Projects with industry*

For projects with industry, the bill provides \$17,142,000, the same as the budget request but \$208,000 below the 1989 amount. This

program is the primary Federal vehicle for promoting greater participation of business and industry in the rehabilitation process. The program provides disabled persons with training and experience in realistic work settings to prepare them for employment in the competitive labor market. Awards are made to a variety of agencies and organizations, including business and industrial corporations, rehabilitation facilities, labor organizations, trade associations, and foundations. In 1989, 115 projects were supported by this program.

#### *Helen Keller National Center*

For the Helen Keller National Center for Deaf-Blind Youths and Adults, the bill includes \$4,841,000, the same as the budget request and \$59,000 below the 1989 amount. Some of these funds are used to address the special needs of rubella epidemic victims who are now young adults. These persons, in addition to being deaf and blind, are frequently mentally retarded or orthopedically handicapped and have extensive service needs. The Helen Keller Center grant is authorized separately from other rehabilitation programs and is administered by the Department of Education.

#### *Independent living, comprehensive services*

For comprehensive services for independent living, the bill includes \$12,977,000, the same as the budget request and an increase of \$299,000 over the 1989 amount. This program supports grants to the States to assist in the provision of services designed to meet the current and future needs of persons whose disabilities are so severe that they do not presently have the potential for employment, but may benefit from services which will enable them to live and function independently. Awards are made to States on the basis of population, with a \$200,000 minimum grant.

#### *Centers for independent living*

For centers for independent living, the bill provides \$25,688,000 the same as the budget request but \$312,000 less than the 1989 amount. This program supports a network of nonresidential, community-based centers that provide a wide range of services to help persons with severe disabilities live more independently in family and community settings. Discretionary grants are made to State vocational rehabilitation agencies or other public agencies or private nonprivate organizations. In 1988, the program made 141 grants that support 189 centers.

#### *Independent living services for older blind*

For independent living services for older blind individuals, the bill provides \$5,632,000, the same as the budget request but \$68,000 below the 1989 amount. This program supports services for persons 55 years old or over whose severe visual impairment makes gainful employment extremely difficult to obtain, but for whom independent living goals are feasible. Discretionary grants are awarded competitively to designated State agencies. In 1988, 28 awards were made under this program.

## *Training*

For training personnel to provide rehabilitation services to persons with handicaps, the bill includes \$30,134,000, the same as the budget request but \$366,000 less than the 1989 amount. This amount allows continued support for long-term and short-term training, in-service personnel training, and training of interpreters for deaf persons. Priority in awards must be given to areas of personnel shortage, as determined by the Secretary. In 1988, a total of 358 awards were made that included both institutional and scholarship support. An estimated 15,720 trainees were supported through these activities.

## *National Institute on Disability and Rehabilitation Research*

The bill includes \$52,883,000 for the National Institute on Disability and Rehabilitation Research, the same as the budget request but \$642,000 below the 1989 amount. Through the Institute, these funds support research to improve the lives of disabled persons, particularly those with severe disabilities. Specific programs include research and training centers, rehabilitation engineering centers, research and demonstration projects, utilization and dissemination projects, field-initiated research, innovation grants, research training, fellowships, and other activities.

## *Technology assistance*

For technology assistance activities, the bill provides \$10,650,000, the same as the budget request and an increase of \$5,500,000 over the 1989 appropriation. This program provides discretionary grants to the States to assist them in developing statewide programs to facilitate the provision of devices for, and services to, disabled persons. Funds may be used to identify the technology-related needs of disabled persons, coordinate resources for the delivery of such services, provide training and technical assistance to consumers and service providers, and disseminate information on technological devices. This program was initiated in 1989 with 8 projects. Funds under this bill will support approximately 15 projects in 1990.

The Committee recognizes the need for increased Federal support for research into and development of advanced technology prosthetic and orthotic devices. Such devices are critical in assisting amputees to participate fully in our society as independent and productive citizens. It is therefore the Committee's expectation that a portion of the increase provided in this program will be used by the National Institute of Disabilities and Rehabilitation Research to support research into state-of-the-art prosthetic and orthotic devices. The amount to be transferred should be determined by the Secretary.

## *Evaluation*

The bill includes \$1,000,000 for program evaluation, the same as the budget request and the 1989 amount. These funds are used to evaluate the impact and effectiveness of programs authorized under the Rehabilitation Act of 1973. Contracts are awarded on an annual basis for studies to be conducted by persons not immediate-

ly involved in the administration of the programs authorized by the Act.

#### SPECIAL INSTITUTIONS FOR THE HANDICAPPED

The bill includes \$109,440,000 for special institutions for the handicapped. This is \$500,000 less than the 1990 budget request but an increase of \$4,781,000 over the 1989 appropriation. This account supports the American Printing House for the Blind, the National Technical Institute for the Deaf, and Gallaudet University. The Committee has not approved the Administration's request to consolidate accounts for the Special Institutions.

#### AMERICAN PRINTING HOUSE FOR THE BLIND

The bill provides \$5,537,000 for the American Printing House for the Blind, the same as the budget request and an increase of \$202,000 over the 1989 account. The purpose of this appropriation is to subsidize the production of quality education materials to legally blind persons enrolled in programs below the college level. The Printing House manufactures and maintains an extensive inventory of special materials that are distributed free of charge to schools and States based on the number of blind students in each State. In 1989, an estimated 45,000 persons were served under this program. The Printing House also conducts research and field activities to inform educators about the availability of materials and how to use them. Effective October 1, 1989, the permanent annual appropriation of \$10,000 for the Printing House will be terminated under the provisions of the Handicapped Program Technical Amendments Act of 1988. P.L. 100-630. Funds provided by the Committee offset the termination of the permanent appropriation.

The Committee is concerned by the recent Inspector General's audit at the Printing House which identified numerous fiscal irregularities and which indicated a lack of concern for financial management. The Committee directs the administration of the Printing House to take corrective action addressing these concerns. Appropriated funds are not to be used to repay any portion of the disallowed costs.

The Committee remains very interested in the Printing House increasing the number of handicapped employees, particularly the blind or visually impaired. Affirmative hiring practices of the handicapped at the Printing House are to continue and the new President should be prepared to testify about progress during next year's hearings.

#### NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

The bill includes \$35,553,000 for the National Technical Institute for the Deaf, the same as the budget request and an increase of \$2,227,000 over the 1989 level. The Institute was created by Congress in 1965 to provide a residential facility for postsecondary technical training and education for deaf persons, with the purpose of promoting the employment of the deaf by providing technical and professional education for deaf young people. The Institute also conducts applied research and provides training in various aspects of deafness. The Secretary of Education administers these activities

through a contract with the Rochester Institute of Technology in Rochester, New York.

### *Operations*

The bill includes \$34,921,000 for operations at the National Technical Institute for the Deaf, an increase of \$600,000 over the budget request and an increase of \$1,793,000 above the 1989 level. The \$600,000 increase is intended to offset unanticipated operation costs for such matters as physical plant operations, housing, food service, and maintenance.

### *Endowment*

The bill includes \$200,000 for an endowment matching fund. This is \$100,000 less than the amount included in the budget request, but \$2,000 more than the amount appropriated in 1989. The endowment program is designed to assist the future needs of the Institute and to reduce dependency on Federal funding by stimulating private contributions.

### *Construction*

The bill includes \$432,000 for construction at the National Technical Institute for the Deaf, which is \$500,000 less than the budget request. No funds for construction were provided for construction in FY 1989. Under the Institute's Agreement for Establishment and Operation, construction is defined broadly to include the expansion, remodeling, and repair of existing buildings; acquisition of land; and acquisition of initial equipment, as well as the construction of new buildings. The funds provided by the Committee for 1990 will be used only to remedy safety and security hazards to students and staff of the Institute as indicated in the budget request.

The Committee has deleted the restriction against using funds to subsidize foreign students. However, the Committee supports a tuition surcharge of 50% for new foreign students at all of the Special Institutions. Actual authority for the Institute to admit foreign students is pending approval from the Department of Education.

### GALLAUDET UNIVERSITY

The bill includes \$68,350,000 for Gallaudet University, a decrease of \$500,000 from the budget request, but an increase of \$2,352,000 over the 1989 level. The Administration's request for \$500,000 for evaluation studies of Gallaudet has not been approved, however, an evaluation study by the Department of all post secondary education programs for the deaf is approved and funds have been provided to the Department for this purpose.

Gallaudet is a private, nonprofit educational institution providing college preparatory, undergraduate, secondary, elementary, and continued education for deaf persons. In addition, the school offers graduate programs in fields related to deafness for deaf and hearing students, conducts various deafness research, and provides public service programs for deaf persons.

The bill includes \$1,000,000 for the endowment matching program, an increase of \$12,000 over the 1989 level. This program is designed to assist the future needs of the University and to reduce

long-term dependency on Federal funding by stimulating contributions from the private sector.

The Committee supports a tuition surcharge of 50% for new foreign students at all the Special Institutions, which is a policy already adopted at Gallaudet for fiscal year 1990.

#### VOCATIONAL AND ADULT EDUCATION

The bill includes \$1,151,035,000 for vocational and adult education programs. This amount is \$36,131,000 over the 1990 budget request and an increase of \$77,569,000 over the 1989 appropriation. This account supports vocational education programs authorized by the Carl D. Perkins Vocational Education Act, and adult education and literacy programs authorized by the Adult Education Act and the Stewart B. McKinney Homeless Assistance Act.

##### *Vocational education*

Of the amount provided for vocational and adult education programs, \$942,239,000 is for programs authorized by the Carl D. Perkins Vocational Education Act, the same as the budget request and an increase of \$30,983,000 over the 1989 amount. However, the budget request is based on proposed legislation that has not yet been enacted. Therefore, the appropriations provided by the Committee is to be used only for programs currently authorized by the Perkins Act. These programs assist States and localities to provide access to vocational education programs for special populations, such as the disadvantaged, handicapped, and adult students, and improve vocational education programs in general. Should the reauthorization process be completed prior to the beginning of the new program year, the Committee will consider a reprogramming of funds on an expedited basis. In the interim, the Committee bill preserves all existing vocational education activities with increases to cover inflation. This includes grants for displaced workers authorized under section 415 and funds for the occupational information coordinating committees. The specific amounts provided for each activity are described in the following table:

	Fiscal year 1989 comparable	Fiscal year 1990 budget request	Committee bill
New program, proposed legislation .....		\$942,239,000 .....	
Basic grants.....	\$831,566,000 .....		\$860,000,000
Community-based organizations.....	8,892,000 .....		9,200,000
Consumer and homemaking education .....	33,118,000 .....		34,300,000
State councils .....	7,904,000 .....		8,200,000
National program:			
Research .....	6,965,000 .....		7,200,000
Demonstration .....	14,594,000 .....		15,000,000
Data .....	4,446,000 .....		4,439,000
Subtotal, national programs.....	26,005,000 .....		26,639,000
Bilingual vocational training .....	3,771,000 .....		3,900,000
Subtotal, Vocational education.....	911,256,000 .....	942,239,000 .....	942,239,000



### *Model programs of regional training for skilled trades*

Within the amount provided for national programs, the Committee has included funds to assist in the development of a model regional approach for the training of skilled tradesmen, as authorized under Subpart I of Part B of Title IV of the Perkins Act. Labor market demand is often insufficient to support effective training programs in a single State in these areas, since many such trades are in the small business arena and tend to be cyclical in nature. The Committee believes that a regional approach could facilitate pre-job and apprenticeship training, and could upgrade specialized craft training, as well as improve the access of women, minorities, and the economically disadvantaged to such trades. The Committee is aware that the mason and bricklayer trade is one occupational group which might benefit from such an approach.

### *Vocational education data*

The Committee wishes to express its strong concern about the lack of dependable, accurate data to evaluate the effectiveness of vocational education programs. Despite a large investment in research and data collection, Administration witnesses have not been able to document and describe quantitatively program outcomes. The Committee expects the Secretary to address this problem so that future witnesses can provide better information to the Committee.

### *Adult education*

The bill provides \$208,796,000 for adult education and literary programs, an increase of \$36,131,000 over the budget request and \$46,586,000 over the 1989 amount. These programs are authorized by the Adult Education Act and the Stewart B. McKinney Homeless Assistance Act.

### *Grants to States*

For State grants authorized by the Adult Education Act, \$180,000,000 is provided, an increase of \$19,335,000 over the budget request and \$43,656,000 over the 1989 amount. These funds are used by States for programs to enable all adults to acquire basic literary skills, to enable those who so desire to complete a secondary education, and to make available to adults the means to become more employable, productive, and responsible citizens. Grants are allotted to the States and outlying areas according to a formula whereby each State receives \$250,000 and each outlying area \$100,000, with remaining funds distributed to States in proportion to the number of persons age 16 years and older who have not completed high school. States are specifically required to give preference to funding programs and projects that recruit and serve educationally disadvantaged adults (persons demonstrating basic skills at or below those of students at the fifth grade of level).

### *National programs*

For national programs authorized by the Adult Education Act, \$2,000,000 is provided, the same as the budget request and an increase of \$24,000 over the 1989 amount. These programs include

analyses and studies of State adult education programs, a national assessment to determine the nature and extent of adult illiteracy, and a longitudinal study of adult education programs and participant outcomes. These activities should generate new information on the nature and extent of illiteracy and the most effective techniques for reaching the population of illiterate adults.

#### *Literacy training for homeless adults*

For Part A of the Stewart B. McKinney Homeless Assistance Act, \$10,000,000 is provided for State programs of literacy and basic skills training for adult homeless individuals, the same as the budget request and an increase of \$2,906,000 over the 1989 amount. These programs include outreach activities which are coordinated with existing programs for adult education and literacy. Funds are distributed to the States, the District of Columbia, and Puerto Rico by the Secretary, taking into account States' assessments of the homeless population, but not specifying a distribution formula.

#### *Workplace literacy partnerships*

For workplace literacy partnerships, \$11,856,000 is provided, the same as the 1989 amount. The budget does not request funding for this program. The workplace literacy program provides discretionary demonstration grants for workplace-related training, including adult secondary education; literacy training for limited English proficient adults; updating basic skills to meet changing needs in the workplace; improving the competency of adult workers' literacy skills; and educational counseling, transportation, and child care. These projects must be designed and operated by partnerships between business, industry, labor organizations, or private industry councils and State educational agencies, local educational agencies, institutions of higher education, or schools. Employment and training agencies and community-based organizations are also eligible for grants. Under this program 45 grants were made in 1989.

#### *English literacy grants*

For English literacy grants, \$4,940,000 is provided, the same as the 1989 amount. The budget does not request funding for this program. This program authorizes discretionary grants to States to establish, operate, and improve English literacy programs for persons with limited English proficiency. Funds may be used to provide services to participants, such as child care and transportation. At least 50 percent of each State grant must be used to fund 5 programs operated by community-based organizations.

### STUDENT FINANCIAL ASSISTANCE

The bill includes \$6,021,960,000 for student financial assistance programs. This amount is an increase of \$177,000,000 over the budget request and an increase of \$207,640,000 over the amount appropriated in 1989. The specific amounts provided for each activity are described in the following table:

## STUDENT FINANCIAL ASSISTANCE

	Fiscal year—		
	1989 comparable	1990 budget request	1990 committee bill
Pell Grants.....	\$4,483,915,000	\$4,740,000,000	\$4,740,000,000
Supplemental educational opportunity grants.....	437,972,000	452,863,000	452,863,000
Work-study.....	610,097,000	610,097,000	610,097,000
Income contingent loans.....	4,940,000	20,000,000	10,000,000
Perkins loans:			
Federal capital contributions.....	183,507,000		137,000,000
(Total loans from revolving fund) (non-add).....	(898,000,000)	(751,000,000)	(888,000,000)
Loan cancellations.....	22,000,000	22,000,000	22,000,000
State student incentive grants.....	71,889,000		50,000,000
Total, Student Financial Assistance.....	5,814,320,000	5,844,960,000	6,021,960,000

*Student Aid Estimate.*—The Committee is aware that the President's mid-session review of budget requirements may include a substantial increase in the estimated cost of certain student aid programs. While the potential adjustments have been discussed with the Committee informally and in broad terms, no official revisions are yet available. At this point, the Committee does not have sufficient data to warrant a change in federal funding. Should a budget amendment actually be transmitted, the Committee would review its student aid recommendations on an expedited basis.

*Student Aid concerns.*—The Committee bill largely maintains but does not significantly increase student aid programs. While the needs in this area are substantial, current problems in student aid programs, including but not limited to high student loan default rates, have made it difficult to support an increase in 1990. In addition to fiscal integrity and financial management issues, the Committee has been concerned by a rapid expansion of the program to non-traditional students for whom the standard student assistance programs may not be the most suitable. More than 25 percent of funds now go to proprietary schools and this figure has more than tripled in the last 10 years. These schools often do not follow a standardized educational format and too often do not seem to give their students the skills which will in fact improve their employment potential. In addition, the Committee has become increasingly concerned by liberalizations in student aid rules which have tended to spread funds out more broadly but also more thinly. As an example, the Committee must question whether 60 percent of students receiving aid as "independent" students are truly independent. The result of this expansion of the base is that despite an increase of 100 percent in Federal appropriations for student aid during the 1980s, aid to many students has not kept up with increases in the cost of attendance. The Committee is aware that the Higher Education Act must be reauthorized for fiscal year 1991 and is encouraged that the authorizing committee plans a full review of these issues.

### *Pell grants*

The Committee bill includes \$4,740,000,000 for the Pell grant program, the same amount as the budget request and an increase of \$256,085,000 over the amount appropriated for 1989. The Pell grant

program is the largest Federal need-based student grant program administered by the Department of Education. Its purpose is to provide grants to qualified undergraduate students who demonstrate financial need and who are enrolled in an accredited institution of postsecondary education. The Committee follows the budget request which proposes a maximum Pell grant award of \$2,300, the same as the 1989 maximum. The recommendation takes into account program changes made in the Higher Education Act, effective beginning with the 1988-89 academic year, including alterations in the definition of independent and dependent student status and eligibility, change in need analysis, and increased allowances for cost of attendance. In academic year 1988-89 it is estimated that 3.1 million Pell grant recipients received average grants of \$1,444.

#### *Supplemental education opportunity grants*

The Committee recommends \$452,863,000 for supplemental education opportunity grants, the same as the budget request and an increase of \$14,891,000 over the 1989 amount. This program provides grants through postsecondary institutions to assist qualified students, who demonstrate exceptional financial need, to meet the cost of education. Particular priority for funding is given to Pell grant recipients. The maximum annual award per student is \$4,000. For 1990, an estimated 688,000 students will receive supplemental educational opportunity grants with an average award of \$700.

#### *Work-study*

For work-study programs, the Committee recommends \$610,097,000, the same as budget request and the 1989 amount. This program provides support for part-time employment for undergraduate, graduate, and professional students to help them meet college costs. Program funding may also be used by institutions for job location and job development centers. The work-study allocation is distributed on an institution-based formula. For 1990, an estimated 895,000 students will receive work-study funds with an average award of \$900.

#### *Income contingent loans*

The bill includes \$10,000,000 for the income contingent loan program, \$10,000,000 below the budget request but an increase of \$5,060,000 over the 1989 appropriation. This program, first authorized under the Higher Education Amendments of 1986, provides awards to colleges and universities for use as capital to operate student loan programs with income-contingent repayments. The loans, which are made under federally prescribed conditions, are available to financially-needy students, who will repay the loans on the basis of their aggregate loan debt and income during the repayment period. Students may borrow up to \$2,500 each of their first 2 years of study, \$3,500 the third year, and \$4,500 the fourth year with an aggregate loan limit of \$17,500. During 1988, the first year of the program, \$4.3 million in loans were made available to about 2,157 students at 10 institutions. The average loan size was \$2,200. The 1990 appropriation will continue to serve these 10 institutions

and will allow the program to be financed on a forward funded basis as is the case with other student aid programs.

*Perkins loans, Federal capital contributions*

The Committee recommends \$137,000,000 for Federal capital contributions to Perkins student loan funds, a decrease of \$46,507,000 below the 1989 amount. The budget request proposed eliminating new funds for capital contributions. The Perkins loan program provides new loan capital annually to institutions of postsecondary education to help support their revolving loan accounts, providing long-term low interest loans to financially needy students for educational costs. Loans are provided to undergraduates, graduate or professional students who demonstrate financial need. Undergraduates may borrow up to \$4,500 during their first 2 years of college, with cumulative limits of \$9,000 for undergraduates and \$18,000 for graduate and professional students. In 1989, an estimated 840,000 students will receive Perkins loans, with an average loan size of \$1,070. Because of increased repayments to the revolving loan fund, the need for new capital contributions is reduced. The amount included in the bill will allow the Perkins loan program to make loans totalling \$888 million in 1990, approximately the same level as in 1989.

*Perkins loan cancellations*

The Committee recommends \$22,000,000 for cancellations of Perkins student loans, the same as the budget request and the 1989 amount. The Perkins loan program authorizes borrowers to have all or a portion of their loans cancelled in exchange for service as a teacher in certain high need areas (in low-income neighborhoods or for handicapped children) or as a staff member in a Head Start program, for service in the Armed Forces under certain conditions, and as a volunteer in the Peace Corps or VISTA. Federal funds are used to pay the outstanding principal on cancelled loans to institutional revolving funds.

*State student incentive grant*

The Committee bill recommends \$50,000,000 for the State Student Incentive Grant program, a reduction of \$21,889,000 below the amount appropriated in 1989. The President's budget did not request funds for this program. The purpose of this program is to encourage and expand state scholarship assistance to postsecondary students with substantial financial need. The maximum award is \$2,500. This program requires States to match Federal assistance on a dollar for dollar basis. States may use up to 20 percent of their allotment for either a work-study program or a community services work learning program. In 1989, an estimated 261,000 students received awards under the State Student Incentive Grant program, with an average award size of \$550. While the Committee supports this grant program, it is aware that States have been increasing their support for these scholarships. Financial limits for fiscal year 1990 have not made it possible to restore fully this program, which the President's budget had eliminated altogether. The Committee is hopeful that States will be able to expand their contribution in order to make up for this Federal reduction.

## GUARANTEED STUDENT LOANS

The bill includes \$3,651,000,000 for the guaranteed student loan (GSL) appropriation account, which is the current estimate by the Congressional Budget Office of the funding that will be required for the program under current law. This amount is \$458,766,000 above the revised 1990 budget request but a decrease of \$415,852,000 from the 1989 appropriation. The increase recommended by the CBO and approved by the Committee is based on more realistic interest projections for 1990.

The Stafford loan program, the supplemental loans for students program, and the "PLUS" loan program comprise the GSL appropriation account. These activities enable students and their parents to borrow funds to help finance the cost of postsecondary education or training at universities, colleges, and vocational schools. The GSL program is an entitlement program, and appropriations are required to pay interest subsidies for regular loans, default claims, and other expenses related to the student loans. Under revised accounting procedures this account is treated as contract authority with appropriations used to liquidate legal obligations.

By the end of fiscal year 1988, the GSL program had supported over \$39 billion in loans to student and parent borrowers since the inception of the program. Over 42 million low-interest loans were made by 15,000 banks and other lenders during this period. In 1988, over \$8.8 billion in Stafford loans were disbursed to 3.4 million students.

Guaranteed student loans are primarily financed with private capital, but the Federal Government provides support through interest subsidies, and insurance and reinsurance payments for borrower default, death, disability, or bankruptcy. Quarterly, lenders receive a "special allowance" payment from the Federal Government, which assures them a total yield on outstanding loan volume at least equal to the most recent quarterly average 91-day Treasury bill rate plus 3.25 percent minus the borrower's interest rate.

Under the Stafford loan program, the Federal Government provides an "interest benefit" subsidy, which pays interest obligations while students are in school, and during grace and deferment periods. After a Stafford loan goes into repayment, the borrower's interest obligation may be 7, 8, or 9 percent, depending upon the interest rate of the borrower's first loan under the program. To help offset Federal special allowance costs and interest benefits, students pay a 5 percent loan "origination fee" when borrowing Stafford loans.

Under the Supplemental Loans for Students and "PLUS" programs, graduate and independent students, parents of dependent undergraduate students, and, in special circumstances, some dependent undergraduate students receive loans. The interest rates on these loans are higher than under the Stafford loan program; the rates are variable but may not exceed the lesser of the average 52-week Treasury bill rate for the 12 months preceding June 1 of the prior award year plus 3.25 percentage points, or 12 percent.

*Default rates.*—The Department of Education has estimated that more than \$1.9 billion of the 1990 appropriation will be required for loan defaults. This is a critical problem which unduly burdens

the Treasury and which undermines basic support for Federal student aid programs. The Secretary has recently issued new regulations which attempt to address this problem. The Committee is anxious to be kept informed of the results of these changes and has therefore requested a biannual report on loan defaults to be submitted by January 1 and July 1 of 1990. The initial report should include a history of the default problem and it should include default and other losses under both Stafford and Perkins Loans.

In addition to the current efforts of the Department to lower defaults, the Committee encourages the Secretary of Education to examine the feasibility and value of developing pilot projects for institutions and agencies which yield exemplary results in areas of default reduction, and student loan processing. The Secretary may wish to explore more flexible processes than those in current regulations when institutions or agencies demonstrate high performance standards, agree to comply with uniform standards for measurement of performance, and are willing to demonstrate new initiatives which produce significant savings.

#### HIGHER EDUCATION

The bill includes \$634,976,000 for higher education programs, an increase of \$83,339,000 over the 1990 budget request, and an increase of \$69,247,000 over the 1989 appropriation. The specific amounts provided for each activity are described in the following table.

#### HIGHER EDUCATION

	Fiscal year 1989 comparable	Fiscal year 1990 budget request			Fiscal year 1990, Committee bill
		January budget request	Bush revisions	Revised budget request	
Aid for institutional development:					
Strengthening developing institutions.....	\$77,459,000	\$80,093,000		\$80,093,000	\$83,000,000
Strengthening historical black colleges & univ.....	73,554,000	76,055,000		76,055,000	85,000,000
Strengthening historically black grad insti- tutions.....	10,868,000	11,238,000		11,238,000	11,238,000
Endowment grants:					
Current law.....	12,696,000	13,128,000		13,128,000	23,128,000
Proposed legislation.....			\$10,000,000	10,000,000	
Subtotal, institutional development..	174,577,000	180,514,000	10,000,000	190,514,000	202,366,000
Program development:					
Fund for the Improvement of Postsec.					
Education.....	11,856,000	11,856,000		11,856,000	11,856,000
Mid-career teacher training.....					2,000,000
Minority science improvement.....	5,307,000	5,487,000		5,487,000	5,487,000
Innovative projects for community services..	1,454,000				
International education and foreign lan- guage studies:					
Domestic programs.....	25,855,000	25,114,000		25,114,000	35,114,000
Overseas programs.....	5,203,000	5,203,000		5,203,000	5,203,000
Subtotal, international education ....	31,058,000	30,317,000		30,317,000	40,317,000
Cooperative education.....	13,622,000				13,622,000
Law school clinical experience.....	3,952,000				5,000,000
Student Literacy Corps.....	4,940,000	5,108,000		5,108,000	5,108,000

## HIGHER EDUCATION—Continued

	Fiscal year 1989 comparable	Fiscal year 1990 budget request			Fiscal year 1990, Committee bill
		January budget request	Bush revisions	Revised budget request	
Subtotal, Program development.....	72,189,000	52,768,000		52,768,000	83,390,000
Academic facilities:					
Interest subsidy grants .....	22,744,000	22,744,000		22,744,000	22,744,000
Special grants:					
Assistance to Guam .....	473,000				473,000
Robert A. Taft Institute of Government.....	709,000				
Subtotal, Special grants.....	1,182,000				473,000
Special higher education projects:					
Urban Education Foundation.....	1,600,000	1,600,000		1,600,000	
Aid to students:					
Special program for disadvantaged (TRIO) ..	219,257,000	228,168,000		228,168,000	248,168,000
Support services:					
Veterans' education outreach .....	2,838,000				2,838,000
Legal training for the disadvantaged (CLEO) .....	1,892,000	1,956,000		1,956,000	2,500,000
School, college & university partner- ships.....	2,760,000	2,854,000		2,854,000	2,854,000
Scholarships and fellowships:					
Robert C. Byrd honors scholarships .....	8,200,000	8,479,000		8,479,000	8,479,000
National Science Scholars, proposed legislation .....			5,000,000	5,000,000	
Paul Douglas Teacher Scholarships .....	15,235,000				14,235,000
Patricia Roberts Harris Fellows:					
Graduate fellowships.....	15,711,000	16,245,000		16,245,000	16,245,000
Public service fellowships ..	3,320,000				3,320,000
Jacob K. Javits Fellowships.....	7,904,000	5,770,000		5,770,000	6,770,000
Minority participation in gradu- ate education .....	3,476,000	3,594,000		3,594,000	3,594,000
Graduate assistance in areas of national need.....	12,844,000	11,945,000		11,945,000	17,000,000
Subtotal, Scholarships and fellowships.....	66,690,000	46,033,000	5,000,000	51,033,000	69,643,000
Subtotal, Aid to Students .....	293,437,000	279,011,000	5,000,000	284,011,000	326,003,000
Total, Higher education .....	565,729,000	536,637,000	15,000,000	551,637,000	634,976,000

*Strengthening developing institutions (title III-A)*

The bill includes \$83,000,000 for strengthening developing institutions, an increase of \$2,907,000 over the budget request and \$5,541,000 over the 1989 amount. This program is authorized under part A. of title III of the Higher Education Act of 1965, and consists of discretionary grants to higher education institutions with relatively low expenditures and substantial enrollments of students receiving Federal need-based student assistance. Awards may be used for faculty and academic program development, management, joint use of libraries and laboratories, acquisition of equipment, and student services. During 1989, 372 awards were made under this program.



*Strengthening historically black colleges and universities.*

The bill includes \$85,000,000 for the program for strengthening historically black colleges and universities, an increase of \$8,945,000 over the budget request and \$11,446,000 over the 1989 amount. This program is authorized under part B of title III of the Higher Education Act. Formula grants provide assistance to historically black colleges based on their enrollment of Pell Grant recipients, their number of graduates, and the number of their students entering graduate or professional schools in degree programs in which blacks are underrepresented. Funds are used to help improve both programs and management, leading to enhanced educational opportunities for students. During 1989, 98 awards were made under this program. The Committee has given special priority to historically black colleges and universities, including Mississippi Valley State University, and urges the Secretary to provide a maximum level of assistance to this institution.

*Strengthening historically black graduate institutions*

The bill provides \$11,238,000 for the program for strengthening historically black graduate institutions, the same as the budget request and an increase of \$370,000 over the 1989 appropriation. This program is authorized under section 326 of the Higher Education Act, which authorizes five-year grants to five postgraduate institutions. Awards may be used for any purpose authorized under part B of title III, and for establishing an endowment or a development office to increase contributions from private sources.

*Endowment grants*

The bill provides \$23,128,000 for the endowment challenge grants program, the same as the revised budget request and an increase of \$10,432,000 over the 1989 amount. This program is authorized under part C of title III of the Higher Education Act. Grants are made to enable eligible recipients to establish or increase institutional endowments. For twenty years following an award, recipients may not spend the principal but may spend up to half of the interest earned for any institutional expenses. During 1989, 22 awards were made under this program.

The budget request proposes that \$10,000,000 of this amount be allocated under new legislation which has not yet been considered by the Congress. Should this legislation become law, the Committee would expect funds to be reprogrammed. However, in the event that no change is enacted prior to the beginning of the next program year, the Committee expects funds to be allocated under part C.

*Fund for the improvement of postsecondary education*

For the fund for the improvement of postsecondary education, \$11,856,000 is provided, the same as the budget request and the 1989 amount. Authorized under part A of title X of the Higher Education Act, the fund is designed to stimulate improvements in education beyond high school, and supports exemplary projects that have been locally developed with the potential for addressing and resolving problems in postsecondary education to improve its

quality. The fund awards competitive discretionary grants and contracts to a variety of postsecondary institutions and other agencies and organizations concerned with postsecondary education. During 1989, a total of 189 awards were made under this program.

#### *Mid-career teacher training*

The bill includes \$2,000,000 to initiate a new program of mid-career teacher training grants as authorized by section 502(a) of the Higher Education Act. This program attempts to address problems with the recruitment and development of elementary and secondary school teachers through a series of demonstration grants to institutions of higher education. These grants will allow the establishment of teacher training curricula for individuals who possess background and experience in education-related fields but who need to upgrade certain skills prior to entering the classroom. No funds were requested in the President's budget for this program.

#### *Minority science improvement*

The bill includes \$5,487,000 for the minority science improvement programs, the same as the budget request and an increase of \$180,000 over the 1989 amount. Authorized under part B of title X of the Higher Education Act, this program provides grants to improve mathematics, science, and engineering programs at institutions enrolling large numbers of minorities and to increase the number of minority students who pursue advanced degrees and careers in science, mathematics and engineering. Funds are used for the acquisition of equipment, the development of curricular materials, and advanced faculty training. A total of 39 awards were made in 1989 under this program.

#### *Innovative projects for community services*

The Committee bill does not include funds for innovative projects for community services, which received \$1,454,000 in 1989. No funds were requested by the President. Authorized under part C of title X of the Higher Education Act, grants and contracts have been made to encourage students to participate in community service projects in exchange for either educational services or financial assistance to complete postsecondary education. The Committee agrees with the Administration that this concept has been well demonstrated and that no additional funding is required.

#### *International education and foreign language studies*

The bill provides a total of \$40,317,000 for international education and foreign language studies, an increase of \$10,000,000 over the budget request and \$9,259,000 over the 1989 appropriation. This total funds two activities: \$35,114,000 for domestic programs, including international business education, and \$5,203,000 for overseas programs authorized under the Mutual Educational and Cultural Exchange Act of 1981.

Funds for domestic programs are provided to assist graduate and undergraduate foreign language and area studies centers, to finance graduate fellowships for students, and to support research in foreign language and international education including business education programs. The proportions of these funds that are used

for each of these purposes are determined at the discretion of the Secretary of Education. The Committee assumes that a portion of the increase provided will be used to establish or expand centers in international business education similar to those authorized in the 1988 Trade Act (P.L. 100-418).

The Committee is concerned that the long-term economic and strategic needs of the United States require a major expansion in our national capacity to communicate in the critical languages of the world. This effort calls for a more concentrated effort to carry out carefully targeted research and development activities and to expand that capacity to new, educational, scientific, and business communities. Therefore, within the increase provided, the Committee has included \$1,000,000 for grants for up to two foreign language resource centers to identify the national need for critical language training and to provide programmatic responses to those needs. These grants should be made in consultation with the Secretary of Defense.

Overseas programs in international education and foreign language studies are authorized by the Mutual Educational and Cultural Exchange Act of 1961, popularly known as the Fulbright-Hays Act. Under these programs, grants are provided for faculty research abroad, foreign curriculum consultants, and doctoral research abroad.

#### *Cooperative education*

The bill includes \$13,622,000 for cooperative education, the same as the 1989 amount; no funds were requested in the budget. Under title VIII of the Higher Education Act, the Secretary of Education is authorized to make discretionary grants to institutions of higher education, or combinations of institutions, to support the development and maintenance of cooperative education programs. These programs provide students with work experience related to their academic or occupational objectives and with funds necessary for continuing or completing their education. The 1989 funding level supported 171 grants.

#### *Law school clinical experience*

The bill includes \$5,000,000 for the law school clinical experience program, an increase of \$1,048,000 over the 1989 amount; no funds were requested in the budget. This program is authorized under part F of title IX of the Higher Education Act. The Secretary of Education makes grants to accredited law schools to pay up to 90 percent of the costs of programs to provide clinical experience to law students, either through actual legal work or simulations. The 1989 funding level supported 60 grants, serving approximately 2,400 students. Within the increase provided, the Committee intends that \$150,000 be used to support a national evaluation conference to be held during fiscal year 1990. This conference will allow a thorough review of clinical programs so that future funding can be used in the most effective and efficient manner.

#### *Student literacy corps*

The bill includes \$5,108,000 for the student literacy corps, the same as the budget request and an increase of \$168,000 over the

1989 amount. This program is authorized under part D of title I of the Higher Education Act, as amended by the Omnibus Trade and Competitiveness Act of 1988, P.L. 100-418. Discretionary grants are made by the Secretary to institutions of higher education to promote the development of student literacy corps. Recipients operate programs in public community agencies that combine academic credit for students with experience as voluntary literacy tutors. Funds may be used to support program costs, stipends for student coordinators, technical assistance, data collection and program evaluation. This program was initially funded in 1989, when 100 awards were made.

#### *Academic facilities*

The bill includes \$22,744,000 for interest subsidy grants, the same as the budget request and the 1989 amount. This program is authorized under part D of title VII of the Higher Education Act to provide financial assistance for the construction, renovation, and equipping of college and university facilities. Current appropriations support loans made many years ago. Assistance is in the form of a Federal subsidy of interest payments on loans, in order to reduce the cost of borrowing from private sources. Loans have been used for projects that accommodate enrollment increases, maintain or expand research facilities, rehabilitate facilities for energy conservation, and upgrade facilities to meet various Federal, State, and local structural requirements relating to health, safety, and access to the handicapped. The Federal subsidy is guaranteed under agreements with participating institutions; as such, the annual cost is essentially predetermined. An estimated 551 loans will be outstanding by the end of 1990, with a loan volume of \$998,000,000. No new loans have been made since 1973.

#### *Assistance to Guam*

The bill includes \$473,000 for assistance to Guam, the same as the 1989 amount. The budget request does not include funds for this program. This program is authorized under title XII of the Higher Education Act, and supports part of the cost of providing postsecondary education programs at the University of Guam for nonresident students from other territories of the United States in the Pacific Basin area.

#### *Robert A. Taft Institute of Government*

The bill does not include funds for the Robert A. Taft Institute of Government, which received a 1989 appropriation of \$709,000. The budget request does not include funds for this program. In the past these funds were used to develop education programs to train elementary and secondary teachers in the principles of democracy and the governmental and political processes of the United States. However, this program is not authorized for 1990. If authorizing legislation becomes law prior to the beginning of the new fiscal year, the Committee will reconsider this matter.

#### *Special programs for the disadvantaged (TRIO)*

The Committee recommends \$248,168,000 for the special programs for the disadvantaged, an increase of \$20,000,000 over the

budget request and \$28,911,000 over the 1989 amount. The special programs for the disadvantaged, otherwise known as the TRIO programs, consist of six different programs—talent search, upward bound, student support services, Ronald E. McNair post-baccalaureate achievement, Educational Opportunity Centers, and staff development activities. These programs are authorized under part A of title IV of the Higher Education Act. In general, TRIO programs assist low-income persons who are potential first generation college students to pursue their education. Among the activities supported under one or more programs is the dissemination of information on available student financial assistance, counseling, and tutoring. During 1989, an estimated 1,409 grant awards were made, serving 525,000 participants. From the amount provided in 1990, \$1,456,000 will be used to begin an evaluation of the two largest TRIO programs: upward bound and student support services.

The Committee is concerned that the number of approved and funded applications for the Upward Bound program does not begin to meet the need for the program, and has added sufficient funds so that an additional 35 awards may be made from already approved, but unfunded applications. With the additional resources provided, the Committee also expects that a substantial number of new awards will be made under the Ronald E. McNair Post-baccalaureate Achievement Program.

#### *Veterans' education outreach*

The Committee recommends \$2,838,000 for veterans' education outreach, the same as the 1989 level. No funds were requested in the budget for this program. Authorized under part A of title IV of the Higher Education Act, formula grants are made to institutions of higher education, based on the number of enrolled veterans receiving veterans' educational benefits or vocational rehabilitation services. Grants help institutions support offices of veterans' affairs which provide outreach, recruitment, special educational services, and counseling. Eligibility for services was extended in 1988, from "Vietnam-era" veterans to all veterans with honorable discharges. In 1989, 517 institutions participated in this program.

#### *Legal training for the disadvantaged (CLEO)*

The Committee recommends \$2,500,000 for legal training for the disadvantaged, an increase of \$544,000 over the budget request and \$608,000 over the 1989 amount. This program is authorized under part E of title IX of the Higher Education Act. The Council on Legal Educational Opportunity (CLEO) administers this program to help individuals from disadvantaged backgrounds undertake training for the legal profession. The program supports pre-law school preparation and scholarships. In 1989, this program supported 575 scholarships and 7 summer institutes. The increase provided by the Committee will be used principally to increase stipends for these students.

#### *School, college, and university partnerships*

The Committee recommends \$2,854,000 for school, college, and university partnerships, the same as the budget request and an increase of \$94,000 over the 1989 amount. This program is authorized

under part b of title V of the Higher Education Act. It's purpose is the promotion of college and university partnerships with secondary schools serving low-income students to improve basic academic skills opportunities for further education, and prospects for employment after graduation for participating students. Discretionary grants are awarded to institutions of higher education and local education agencies that enter into written partnership agreements. In 1989, 11 grants were made under this program, providing services for 4,025 participants.

*Robert C. Byrd honors scholarships*

The bill includes \$8,479,000 for the Robert C. Byrd honors scholarship program, the same as the budget request and an increase of \$279,000 over the 1989 amount. Authorized under part A of title V of the Higher Education Act, this program promotes student excellence and achievement through scholarships of \$1,500 for the first year of study at an institution of higher education. The Secretary of Education determines the number of scholarships in each State based on school-age population in the State. No State receives fewer than 10 scholarships. The Secretary must ensure that the State educational agencies select recipients and award the scholarships such that all parts of the State are fairly represented. In 1989, 4,920 scholarships were granted under this program.

*National science scholars*

The 1990 revised budget request includes \$5,000,000 for a proposed scholarship program that would recognize high school seniors who have demonstrated the highest academic achievement in the sciences and mathematics. Since legislation has not yet been enacted, the Committee has not included funds for this program. Should the basic law be changed, the Committee would reconsider this matter.

*Paul Douglas teacher scholarships*

The Committee recommends \$14,235,000 for the Paul Douglas teacher scholarships program, a decrease of \$1,000,000 below the 1989 appropriation. The budget request does not include funds for this program. This program is authorized under part D of title V of the Higher Education Act, and provides scholarships to outstanding high school graduates who demonstrate an interest in teaching. State agencies receive formula grants on the basis of State population. In 1989, 3,050 scholarships were granted.

*Patricia Roberts Harris graduate fellowships*

For Patricia Harris graduate fellowships, the Committee recommends \$16,245,000, the same as the budget request and an increase of \$534,000 over the 1989 appropriation. Authorized under part B of title IX of the Higher Education Act, this program authorizes the Secretary to make discretionary grants to institutions of higher education to assist persons from groups which have been traditionally underrepresented in colleges and universities to undertake graduate and professional study. During 1989, awards were made to 170 institutions for programs that supported 1,000 students.

*Patricia Roberts Harris public service fellowships*

For public service fellowships, the Committee recommends \$3,320,000, the same as the 1989 appropriation. The budget request does not include funds for this program. Authorized under part B of title IX of the Higher Education Act, this program is designed to expand the number of graduate students pursuing public service careers and to strengthen university training courses in this subject area. The Secretary makes discretionary grants to institutions of higher education. During 1989, awards were made to 61 institutions for programs that supported 227 students.

*Jacob K. Javits fellowships*

For Jacob K. Javits fellowships, the Committee recommends \$6,770,000, \$1,000,000 above the budget request, but \$1,134,000 below the 1989 amount. Authorized under part C of title IX of the Higher Education Act, this program provides fellowships to students of superior ability for graduate study in the arts, humanities, and social sciences. Under this program, a Fellowship Board establishes program policies, oversees program operations, annually selects fields of study, determines the number of recipients, and appoints panels to select fellows. In 1989, 540 fellows received scholarships under this program. The budget request assumes a phaseout of this program. The Committee has not endorsed this phaseout but has agreed to a reduction in the number of scholarships.

*Minority participation in graduate education*

The bill includes \$3,594,000 for the minority participation in graduate education program, the same as the budget request and an increase of \$118,000 over the 1989 level. Authorized under part A of title IX of the Higher Education Act, this program provides fellowship assistance to talented minority undergraduates for programs of research and study preparing them for graduate education. Competitive grants are made to institutions of higher education. During 1989, awards were made to 45 institutions for programs that supported 1,080 students under this program.

*Graduate assistance in areas of national need*

The bill includes \$17,000,000 for graduate assistance in areas of national need, an increase of \$5,055,000 above the budget request and \$4,156,000 above the 1989 amount. Authorized under part D of title IX of the Higher Education Act, the Secretary of Education makes discretionary, 3-year grants to academic departments selected on the basis of the quality of their graduate programs in areas of national need. Some areas of national need suggested in the statute include mathematics, biology, and physics. Fellowship recipients must have financial need, have excellent academic records, plan teaching or research careers, and plan to pursue the highest degree available in their field. The President's budget proposes to phase out this program. The Committee has not approved this request and has added funds for a new class of fellows. This will stabilize the program at a level which allows approximately 340 new recipients per year.

## HOWARD UNIVERSITY

The bill includes \$184,904,000 for Howard University. This amount is the same as the 1990 budget request and an increase of \$5,931,000 over the 1989 appropriation. Direct appropriations for Howard University are authorized by 20 U.S.C. 123, originally passed in 1867.

*Academic program*

The bill includes \$151,806,000 for the academic program at Howard University, a decrease of \$5,000,000 below the budget request but an increase of \$449,000 over the 1989 amount. Howard University is a historically Black institution located in the District of Columbia. It consists of 18 schools and colleges and is attended by 13,900 students. It offers a comprehensive program in undergraduate liberal arts and other programs at the undergraduate, graduate, and professional levels. In 1988, the direct Federal appropriation provided 69 percent of the cost of the University's programs. Howard University also received \$14.9 million in Federal student assistance funds and \$14.3 million through other Federal grant and research programs. The Committee has provided for the transfer of \$5 million of the Federal appropriation from the academic program to the endowment grant activity. The Committee believes that much of this savings can be achieved by management efficiencies which will not affect student services.

The Committee has been concerned by management deficiencies at Howard which have threatened accreditation at certain of Howard's schools and colleges and which have resulted in less than adequate support for many student services. This has happened despite one of the highest per student expenditures of any university in this country. The Committee has been especially concerned by reports regarding the high proportion of Howard's budget devoted to central administration including salaries and related compensation paid to senior staff. While Howard as a private institution, may set compensation without Federal approval, it must be sensitive to the fact that it receives more than \$180 million in subsidy directly from the taxpayers. The Committee believes it appropriate that a larger portion of its budget be devoted to direct student services and less to central administration. The Committee has therefore requested the Secretary of Education to conduct a full audit of administrative costs at Howard including total compensation of senior staff compared with other private and public universities. This report should be submitted to the House and Senate Committees and to the Howard trustees no later than February 15, 1990.

The Committee has also reviewed the tuition policy for foreign students at all of the special institutions under its jurisdiction. Because such a large portion of the educational cost at these institutions is federally financed, these appropriations provide an unintended subsidy to foreign students which is not available at other private schools. The Committee has therefore recommended that each of the special institutions adopt a tuition surcharge of 50 percent for all *new* foreign students accepted after October 1, 1989. This policy would not affect any current student. Once fully imple-



mented, it is estimated that this surcharge will generate approximately \$5 million in increased tuition revenue at Howard.

#### *Endowment grant*

The bill includes \$7,458,000 for the endowment matching grant program at Howard. This is \$5,000,000 more than requested in the budget and \$5,976,000 more than available in 1989. The Committee believes that it is essential that Howard reduce its dependence on direct Federal appropriations. Endowments have been a critical financial tool for most private schools for many years and should be at Howard University. Unfortunately, Howard has not been very successful in generating matching funds. The Committee believes that this task must be a major responsibility of the new President and has increased the Federal grant to the endowment as an incentive for more private giving.

#### *Research*

The bill includes \$4,730,000 for research at Howard University, the same as the budget request and the 1989 amount. These funds supplement the University's capacity to compete for and acquire regular research grants. Activities include the funding of post-doctoral fellowships, primarily in the scientific disciplines, development and renovation of research laboratories, and acquisition of laboratory equipment. The committee has supported this program as a mechanism for capacity building with the idea that Howard should over time be able to compete successfully for Federal research dollars. The Committee requests that Howard include in its 1991 budget justifications a review of the amount of research funds received by Howard from all sources over the last several years and the amount expected in 1990 and 1991.

#### *Howard University Hospital*

The bill includes \$20,910,000 for the Howard University Hospital, the same as the budget request and the 1989 amount. The Hospital serves as a major acute and ambulatory care center for the inner city of Washington, D.C. It provides both inpatient and outpatient services and serves as a facility for the training of physicians, nurses, and other professional and technical health care personnel. The direct Federal appropriation partially finances these activities. In 1988, these funds represented 16 percent of the operating budget.

### COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS

The bill includes \$35,129,000 for the college housing and the academic facilities loan program. This amount is an increase of \$30,000,000 over the 1990 budget request and \$3,814,000 over the 1989 appropriation. This appropriation account supports activities that are authorized by part F of title VII of the Higher Education Act.

#### *Borrowing authority*

The college housing and academic facilities loan program consists of a revolving loan fund to support subsidized, direct Federal

loans for financing construction, reconstruction, or renovation of undergraduate academic facilities, housing, and other postsecondary educational facilities for students and faculty. Priority is given to the renovation and reconstruction of older academic facilities and undergraduate academic facilities that have not been renovated for an extended period. Loans are made on more favorable terms than could be obtained through the private sector. The maximum interest rate is 5.5 percent, with repayment terms of up to 30 years. New loan commitments are made from the revolving fund subject to the annual appropriation process; these funds are obtained from the repayment of prior loans and other income receipts of the revolving fund. For 1990, the Committee recommends \$30,000,000 in borrowing authority for new loan commitments, approximately the same as the 1989 amount. No new borrowing authority was requested in the budget. The Committee has renewed the borrowing authority for new loan commitments this year in an effort to respond to the overwhelming demand for these construction funds by colleges and universities. Circumstances have not changed since the enactment of the 1989 appropriation to justify the budget request to prohibit new loans. In 1988, this program supported 30 new loan commitments.

#### *Interest subsidy payments*

An appropriation of \$5,129,000 is provided for interest subsidy payments for the college housing and academic facilities loans program, the same as the budget request and an increase of \$3,454,000 over the 1989 amount. These funds are necessary because the program is only partially self-financed. Part of the financing comes from the interest paid by borrowers, but since that amount is less than the amount necessary for the Department to pay the U.S. Treasury for the borrowed capital, an annual appropriation is needed to pay the remainder. In 1988, the rate charged by the Treasury for borrowed funds was 9.32 percent.

### EDUCATION RESEARCH AND STATISTICS

The bill includes \$100,330,000 for education research and statistics programs. This amount is \$1,000,000 less than the 1990 budget request, but an increase of \$22,129,000 over the 1989 appropriation. This account supports education research and statistics activities authorized by sections 405 and 406 of the General Education Provisions Act.

#### *Education research*

The Committee recommends \$57,010,000 for education research, an increase of \$6,050,000 over the budget request and \$9,931,000 over the amount provided in 1989. Research activities are conducted by three units within the Office of Educational Research and Improvement—the Office of Research, Programs for the Improvement of Practice, and Information Services. Projects are carried out directly or through grants or contracts to institutions of higher education, public or private organizations, institutions, agencies, or individuals.

The research program provides support for national education research and development centers, regional education laboratories, the Education Resources Information Center (ERIC) system, and field-initiated research. In 1989, 20 national education research and development centers were supported under this program; these centers are based in universities and are responsible for studying specific areas of national concern. Nine regional educational laboratories determine the educational research and development needs of their specific regions, and help meet those needs through applied research and technical assistance. The ERIC system collects, indexes, abstracts, analyzes, and disseminates information on education through a series of clearinghouses that focus on specific areas of education. The bill includes \$6,650,000 for ERIC, an increase of \$950,000 over 1989 funding. Field-initiated research consists of competitive awards to support the work of independent scholars; eight such awards were made in 1989.

The bill includes \$6,050,000 more than requested in the budget for the regional laboratories to continue the rural schools program. The President's Budget did not include any funds for this initiative. The Committee intends that these funds be allocated to innovative rural education programs that show promise of upgrading instruction in small rural schools. These schools, given their size and geographic isolation, have difficulty providing the kind of education children need for the world awaiting them. Dwindling enrollments and fiscal constraints also handicap these schools. The Committee intends that the laboratories support State and local educators in their efforts to rethink how rural schools can better serve their students. Funds provided will allow the Office of Educational Research and Improvement, acting through the governing boards of these labs, to expand this important rural education initiative. The bill provides extended availability for these funds for 1990 because of the pending recompetition of the basic laboratories program. The \$6 million provided will finance 12 months of activity but can now be awarded in two payments.

In addition, the Committee intends that approximately \$1 million of the funds approved be allocated on a competitive basis to establish a new center focusing on teacher performance evaluation.

### *Statistics*

The Committee recommends \$25,320,000 for the activities of the National Center for Education Statistics (exclusive of the National Assessment of Educational Progress), the same as the budget request and \$3,584,000 over the 1989 amount. The Center collects, analyzes, and reports statistics on education in the United States. Activities are carried out directly and through grants and contracts. Major products include *The Condition of Education* and *Digest of Education Statistics*. Other products include projections of enrollments, teacher supply and demand, and other key educational data. The Center collects data on educational institutions at all levels, longitudinal data on students progress, and data relevant to public policy from special surveys. Technical assistance to State and local education agencies and postsecondary institutions is also provided by the Center.

The Committee is concerned by testimony that the Department has been slow in implementing recent statutory changes affecting the organization and operation of the National Center for Education Statistics, particularly those included in the recent Hawkins-Stafford Amendments. In particular, the Committee urges NCES to complete its implementation of measures to protect the confidentiality of data, and provide for the independent publication of statistical reports. The Committee is aware that dropout data, already collected by the Bureau of the Census, is available to perform the analyses required by the Hawkins Stafford Act, and expects the NCES will estimate the dropout rate as of March 30. Finally, the Committee will be watching the Department with regard to the provision of adequate salaries and expenses to the Center in a timely fashion. This is essential to protect the independence and professional credibility of the Center.

#### *National assessment of educational progress*

The Committee recommends \$13,000,000 for the National Assessment of Educational Progress, an increase of \$950,000 over the budget request and \$3,614,000 over the 1989 amount. Conducted through competitive awards, the Assessment is the only nationally representative survey of what American students know and can do. The primary goal of the Assessment is to determine and report the status and trends over time of the knowledge and skills of students, subject by subject. Subject areas assessed in the past have included reading, writing, mathematics, science, and social studies, as well as citizenship, literature, art, and music. The Assessment is administered by the National Center for Education Statistics; a National Assessment Governing Board formulates the policy guidelines for the program.

In response to the provisions of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, P.L. 100-297, part of the funds provided for the Assessment is being used to develop a State-representative assessment of eighth grade mathematics in 1990, and a State-representative assessment of fourth grade reading and mathematics in 1992. These assessments will be conducted to determine the feasibility of State surveys on a regular basis. The Committee has added \$950,000 to the request to partially offset the increased cost of collecting State data. Within the total provided, the Committee believes that costs of the Governing Board and other overhead costs should be maintained at approximately the 1989 level.

#### *Education achievement experiments*

The bill includes \$5,000,000 for education achievement experiments, a decrease of \$8,000,000 below the budget request. No funds were provided for this specific activity in 1989. This is a new program requested by the President to encourage innovation, collect data, and support experiments for elementary and secondary educational achievement. Authorization for these activities is provided under discretionary authority already enacted in section 405 of the General Education Provisions Act. The funds would be used to create a sharper focus on what works best in the schools, and disseminate information on educational experiments that successfully

demonstrate substantial improvements in teaching and learning. Some of the funds available would be used for data collection and analysis, but most of the funds would be used to support experiments in the schools. While the Committee supports this program, it could not increase it to the level requested at the expense of ongoing programs such as the rural labs. The \$5,000,000 funding level recommended should allow a start-up in 1990. If this new program is successful, the Committee will consider an expansion in 1991.

#### LIBRARIES

The bill includes \$114,876,000 for programs of assistance to libraries. This is \$22,324,000 below the budget request and below the 1989 Appropriation. The reduction represents the amount for construction. Although the Administration's budget justification proposes new legislation for the Library account, the legislation has yet to be introduced. Therefore, funds provided for this account are for the continuation of the current Federal library aid programs.

The bill includes \$81,009,000 for public library services, the same as the 1989 amount. These funds, authorized by title I of the Library Services and Construction Act, provide formula grants to the States, which in turn support public library services in areas that are without services or in which services are inadequate, with a special emphasis on services to the underserved population groups like the elderly; 1.5 percent of title I funds are reserved for services to Indians, and 0.5 percent are reserved for native Hawaiians.

The Department has testified that 96% of the American population now have access to libraries, therefore no funds for library construction are included in this bill. Funds awarded in 1989 remain available until expended.

The bill includes \$19,102,000 for interlibrary cooperation, the same as the 1989 amount. These activities are authorized under title III of the Library Services and Construction Act. The funds are intended to encourage cooperative projects among all types of libraries to pool their resources efficiently. Examples of areas of cooperation include computerized bibliographic data bases, centralized technical services, and application of new technologies to library services.

The bill provides \$709,000 for library training and demonstration, the same as the 1989 amount. These activities are authorized under title II, part B of the Higher Education Act. Two-thirds of the funds are used for the library career training program, the remaining one-third is for library science research and demonstrations.

\$5,675,000, the same amount as in 1989 is provided for research libraries, an activity authorized by title II, part C of the Higher Education Act. These funds support activities of major research libraries, both public and private, to develop, preserve, or increase access to collections of unique scholarly value.

\$4,730,000, the same as in 1989 is provided for library literacy programs authorized under title VI of the Library Services and Construction Act. Funding for literacy programs complement the adult basic education services supported under the Adult Education Act.

Finally, the bill includes \$3,651,000 for college library technology, the same as the 1989 amount. These activities are authorized under part D of title II of the Higher Education Act. The program supports the purchase of technological equipment and other special activities designed to encourage the use of technology and expand library resource sharing among institutions of higher education.

#### DEPARTMENTAL MANAGEMENT

The bill includes \$337,124,000 for salaries and expenses at the Department of Education. This amount is \$2,000,000 less than the 1990 budget request but an increase of \$26,406,000 over the 1989 appropriation. This covers the costs associated with the management and operation of the Department, as well as the separate costs associated with the Office for Civil Rights and the Office of the Inspector General. The Committee understands that an amendment is being considered to increase funding for certain of these activities. If officially transmitted, the Committee will consider the request on an expedited basis.

#### PROGRAM ADMINISTRATION

The bill includes \$269,946,000 for program administration, a reduction of \$2,000,000 below the budget request but an increase of \$19,282,000 over the 1989 amount. These funds pay staff salaries and related costs for the administration of approximately 200 programs at the Department. Items include personnel compensation and benefits as well as travel, rent, telephones, utilities, printing, automatic data processing, contractual services, equipment, supplies, and other services. A total of 3,420 full-time equivalent positions are expected to be supported, an increase of 84 over the 1989 staff. The Committee believes that the 9 percent increase requested for this account is excessive and has therefore reduced the request by \$2,000,000. Within the amount provided the Committee has no objection to the use of up to \$500,000 to conduct a comprehensive evaluation of postsecondary education of the deaf. This is in lieu of the separate evaluation of Gallaudet University which was not approved. A final decision regarding the funding of this study should be made by the Secretary based on his view of competing needs.

#### OFFICE FOR CIVIL RIGHTS

The Committee recommends \$45,178,000 for the salaries and expenses of the Office for Civil Rights, the same as the budget request and an increase of \$3,543,000 over the 1989 amount. This Office is responsible for the enforcement of laws that prohibit discrimination on the basis of race, color, national origin, sex, handicap, and age in all programs and institutions that receive funds from the Department. These laws extend to 50 State educational agencies, 16,000 local education agencies, 3,600 institutions of higher education, including proprietary schools, 50 State rehabilitation agencies and their recipients, and other institutions receiving Federal funds, such as libraries. In addition to its enforcement activities, the Office also performs monitoring and compliance reviews, advises on corrective and remedial actions necessary for

compliance, and provides technical assistance that may assist recipients in achieving voluntary compliance. A total of 820 full-time equivalent positions are expected to be supported.

The Committee is concerned that letters of findings in certain Title VI compliance reviews started over one year ago have not been issued. The Committee directs the Office for Civil Rights to complete, on an expedited basis, the two title VI compliance reviews now being conducted on Asian-American college admissions discrimination, and to initiate as many additional compliance reviews on this issue as is practicable given current resources.

#### OFFICE OF THE INSPECTOR GENERAL

The Committee recommends \$22,000,000 for the salaries and expenses of the Office of the Inspector General, the same as the budget request and an increase of \$3,381,000 over the 1989 amount. This Office has the authority to inquire into all program and administrative activities of the Department, as well as related activities of all recipients of grants or contracts. Audits and investigations are conducted to determine compliance with applicable laws and regulations, efficiency of operations, and effectiveness in achieving results. A total of 330 full-time equivalent positions are expected to be supported.

### TITLE IV—RELATED AGENCIES

#### ACTION

The Committee has deferred consideration of the Administration's 1990 request for the Action agency pending the program's reauthorization.

#### COMMISSION ON RAILROAD RETIREMENT REFORM

The Committee has not provided additional funding for this one-time, temporary commission. No funds were requested by the Administration. \$988,000 was provided for the Commission in 1989, which remains available until expended.

#### CORPORATION FOR PUBLIC BROADCASTING

##### PUBLIC BROADCASTING FUND

The bill includes \$242,060,000 for the public broadcasting operations advance appropriation for fiscal year 1992, which is the same as both the Administration request and the 1991 appropriation.

The funding provided in the bill will be distributed according to statutory formula, with about 70 percent of the funds passed directly to local television and radio stations, and about 30 percent retained by the Corporation for program production and system support.

##### SATELLITE REPLACEMENT

The bill includes \$72,000,000 for costs incurred in the replacement of the satellite interconnection system, which is \$15,190,000

more than the amount provided for fiscal year 1991. The Administration did not request appropriations for the satellite. The Committee anticipates that this amount will be sufficient for the Corporation to enter into agreements with vendors for new transponders and to complete upgrading of up to two-thirds of the ground-based equipment. While the Committee understands there are legitimate reasons why public radio and television have determined not to negotiate with satellite vendors jointly, it encourages them to work cooperatively to ensure that each system replacement project meets the needs of radio and television in the most cost-efficient manner.

#### FEDERAL MEDIATION AND CONCILIATION SERVICE

The bill includes \$26,380,000, an increase of \$1,190,000 over the budget request and \$567,000 over the amount available for 1989. This amount will support 325 full-time equivalent positions, an increase of 3 over the budget request and 13 below the 1989 ceiling.

The Service attempts to prevent and minimize labor-management disputes having a significant impact on interstate commerce or national defense, except in the railroad and airline industries. The agency conducts dispute mediation, preventive mediation, and arbitration, and convenes boards of inquiry appointed by the President in emergency disputes.

The Committee has rejected the President's budget proposal to terminate support for the labor-management cooperation program. The bill includes \$1,190,000 for this activity, consisting of \$1,000,000 for grants and \$190,000 for administrative costs and 3 positions. The Committee believes that continued Federal support of this activity enhances private sector efforts to improve labor relations and increase productivity.

#### FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

The bill includes \$4,030,000, \$25,000 above the Administration request and the same as the amount provided for 1989. This level will support 55 full-time equivalent staff for the Commission, the same as the 1989 level and the budget request.

The Commission is responsible for reviewing the enforcement activities of the Secretary of Labor under the Federal Mine Safety and Health Act and for protecting miners against unlawful discrimination. The Commission's administrative law judges hear and decide cases initiated by the Secretary of Labor, mine operators, or miners. The five-member Commission sits to hear and rule on appeals from administrative law judge decisions.

#### NATIONAL COMMISSION ON CHILDREN

The bill includes \$940,000 for the National Commission on Children, which is \$150,000 above the 1989 appropriation. The Administration did not request any funding for the Commission.

The Commission was created in 1987 to provide recommendations to the President and Congress regarding the health of children, social and support services for children and their families, education, income security, and tax policy. The Commission's



report is due September 30, 1990, and the Committee understands that this appropriation will be the last required for the Commission.

#### NATIONAL COMMISSION ON FINANCING POSTSECONDARY EDUCATION

The Committee has not included additional funding for this temporary, one-time commission. No funds were requested by the Administration. In 1989, \$790,000 was provided for the Commission, which remains available until expended.

#### NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

The bill includes \$750,000, an increase of \$9,000 over the 1989 amount and a decrease of \$20,000 compared to the budget request. This total is the full amount authorized by law for the Commission. Funding will support 11 full-time equivalent staff for the Commission, the same number as in 1989.

The Commission is charged with advising the President and Congress on national policy in the library and information field, developing overall plans for meeting national library and information needs, and coordinating activities at the Federal, State and local levels.

#### NATIONAL COMMISSION ON MIGRANT EDUCATION

The Committee has not provided additional funding for this temporary commission; none was requested by the Administration. \$1,976,000 was provided for the Commission in 1989, which remains available until expended.

#### NATIONAL COMMISSION TO PREVENT INFANT MORTALITY

The bill includes \$400,000 for the Commission, which is \$94,000 below the 1989 appropriation. The Administration did not request any funding.

The Commission was created by P.L. 99-660 to make recommendations to the Congress on a national policy to reduce and prevent infant mortality. The Committee understands that the funding provided is transitional assistance as the Commission obtains more private sector funding for its activities to educate the public and implement its recommendations. The Committee reiterates that language included in the 1989 appropriations act permanently amended the Commission's authorizing statute to extend its life and expand the number of its members. However, the Committee encourages the Commission to seek a formal extension of its authorizing legislation if it plans to request Federal funding in future years.

#### NATIONAL COUNCIL ON DISABILITY

The bill includes \$1,157,000, which is the amount requested in the budget and a decrease of \$3,000 below the amount available in 1989. This funding will support 10 full-time equivalent staff for the Council, the same as the 1989 level.

The National Council on Disability was originally an advisory body within the Department of Education, but was converted to an

independent agency in 1984. The Council is charged with reviewing the laws, programs, and policies of the Federal Government affecting disabled individuals, and making recommendations to the President, the Congress, the Rehabilitation Services Administration and the National Institute on Disability and Rehabilitation Research.

#### NATIONAL LABOR RELATIONS BOARD

The bill includes \$140,111,000, the same as the budget request and an increase of \$3,128,000 above the amount available for 1989. This funding will support 2,304 full-time equivalent staff for the Board, a decrease of 6 below the current level.

The Board receives, investigates and prosecutes unfair labor practice charges filed by businesses, labor unions, and individuals. It also schedules and conducts representation elections. The Board itself considers cases in which administrative law judge decisions are appealed.

#### NATIONAL MEDIATION BOARD

The bill includes \$6,384,000, which is the same as the budget request and a decrease of \$88,000 from the 1989 amount. This funding will support 58 full-time equivalent staff for the Board, the same as the 1989 level.

The National Mediation Board mediates disputes over wages, hours and working conditions which arise between employees and those railroad and airline carriers subject to the Railway Labor Act. The Board also resolves representation disputes involving labor organizations which wish to represent railroad or airline employees.

The bill includes \$1,600,000 for the adjustment of railroad grievances, a decrease of \$200,000 below the 1989 level. The Board anticipates that less funding will be needed in 1990 because of the railroad labor-management committee's continuing efforts to improve the system.

#### OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

The bill includes \$5,970,000, which is the same as the budget request and an increase of \$125,000 over the amount available for 1989. This funding will support 85 full-time equivalent staff, an increase of 5 over the 1989 level.

The Review Commission, which was established in 1970, adjudicates issues in dispute between the Department of Labor's Occupational Safety and Health Administration (OSHA) and employers whom OSHA has charged with violating health and safety standards.

#### PHYSICIAN PAYMENT REVIEW COMMISSION

The bill includes authority to transfer \$3,847,000 from the Federal Supplementary Medical Insurance Trust Fund to support the activities of the Physician Payment Review Commission. The amount provided is \$125,000 more than was requested by the Commission and an increase of \$950,000 over the amount available in 1989.

First established in 1985, the Commission serves as an independent agency to advise Congress and the Secretary of Health and Human Services on matters relating to Medicare physician reimbursement. The Commission is required by law to report to Congress each year on methods of adjusting levels of reasonable physician charges, setting physician payment rates, and making payments for physician services.

The amount provided will support 13 Commissioners, an executive director and a staff of not more than 25 full-time equivalents. The Committee has provided \$1,225,000 for research and \$2,622,000 for administration and management. The additional funding above the 1990 request restores \$125,000 transferred from the 1989 allocation to provide startup funding for the Prescription Drug Payment Review Commission.

The Committee requests the chairman of the Commission to meet with the chairmen of the Prescription Drug Payment Review Commission and the Prospective Payment Assessment Commission and to present a joint report assessing the feasibility and desirability of consolidating some or all of the administrative operations of the three groups.

#### PREScription DRUG PAYMENT REVIEW COMMISSION

The bill includes authority to transfer \$1,500,000 from the Catastrophic Drug Insurance Trust Fund to support the activities of the Prescription Drug Payment Review Commission, which is \$586,000 less than the Commission's request. In 1989, the Commission received a total of \$250,000 by transfer from the Prospective Payment Assessment Commission and the Physician Payment Review Commission.

The Commission was created in 1988 to advise Congress on issues relating to the new prescription drug benefit contained in the Medicare Catastrophic Coverage Act, including the increased utilization of prescription drugs, impacts on the price of drugs, and the adequacy of current benefit financing mechanisms.

The Committee requests the chairman of the Commission to meet with the chairmen of the Physician Payment Review Commission and the Prospective Payment Assessment Commission and to present a joint report assessing the feasibility and desirability of consolidating some or all of the administrative operations of the three groups.

#### PROSPECTIVE PAYMENT ASSESSMENT COMMISSION

The bill includes authority to transfer \$3,919,000 from the Medicare trust funds to support the activities of the Prospective Payment Assessment Commission. The amount recommended by the Committee is \$125,000 more than requested by the Commission and an increase of \$424,000 over the amount available in 1989.

The Prospective Payment Assessment Commission was established to advise the Congress and the Secretary of Health and Human Services on maintaining and updating the Medicare prospective payment system. The Commission issues several reports required by Congress, including recommendations on the annual update of Medicare hospital payments as well as a general report

on the impact of the prospective payment system on the American health care system.

The amount provided will support 17 Commissioners, an executive director and a staff of not more than 25 full-time equivalents. The Committee has provided \$1,300,000 for research and \$2,622,000 for administration and management. The additional funding above the 1990 request restores \$125,000 transferred from the 1989 allocation to provide startup funding for the Prescription Drug Payment Review Commission.

The Committee requests the chairman of the Commission to meet with the chairmen of the Physician Payment Review Commission and the Prescription Drug Payment Review Commission and to present a joint report assessing the feasibility and desirability of consolidating some or all of the administrative operations of the three groups.

### **RAILROAD RETIREMENT BOARD**

#### **DUAL BENEFITS PAYMENTS ACCOUNT**

The bill includes \$340,000,000, an increase of \$7,000,000 over the budget request and \$10,897,000 below the amount available for 1989. These funds are used to pay dual benefits to those retirees receiving both railroad retirement and social security benefits. The Committee has included bill language to permit a portion of these funds to be derived from income tax receipts on dual benefits, as authorized by law. It is estimated that as much as \$30 million may be derived in this manner. The Committee has rejected the President's proposal to fund \$85 million of this account from the railroad retirement account. Such a proposal would require authorizing legislation. In addition, the Committee has not adopted proposed bill language that would place a portion of these funds in reserve, believing that this would be administratively cumbersome.

#### **FEDERAL PAYMENT TO THE RAILROAD RETIREMENT ACCOUNT**

The bill does not include funding for the Federal payment, which is the same as the budget request and \$3,100,000 below the amount provided in 1989. Funds within this account are used to reimburse the Railroad Retirement Account for checks issued but uncashed after a six-month time period. The Committee understands that sufficient funds are available from prior years, so that a 1990 appropriation is not necessary.

#### **LIMITATION ON ADMINISTRATION**

The bill includes \$63,900,000, an increase of \$3,350,000 over the President's budget and \$4,274,000 over the amount available in 1989. This account limits the amount in the Railroad Retirement Account which may be used by the Board for administrative expenses. The Committee has restored the staffing reduction of 40 full-time equivalents proposed by the Administration to provide a total of 1,600. The Committee believes that the Board's staffing level must be maintained so that the agency's work backlogs can be reduced.

The bill also includes language providing for the apportionment of not less than \$14,100,000 in fiscal year 1990 for the Railroad Unemployment Insurance Limitation Account. While this account does not require annual Congressional action, the Committee felt it necessary to include language to ensure that sufficient funds are made available to the Board to support the staffing levels recommended by the Committee. The amount to be apportioned is \$150,000 more than the amount available in 1989 and \$650,000 more than the amount requested in the budget.

The Committee has not included bill language proposed by the Administration which would require this account to support the full costs of civil service retirement benefits for all Railroad Retirement Board employees. It has not included proposed bill language restricting a portion of the account for use only in the procurement of automated services.

#### LIMITATION ON REVIEW ACTIVITY

The bill includes \$3,545,000, an increase of \$332,000 over the amount available in 1989 and a decrease of \$455,000 below the Administration request. This account provides funds for the Inspector General to conduct and supervise audits and investigations of programs and operations of the Board. The funds are derived from the railroad retirement and railroad unemployment insurance trust funds. This level of funding will support 65 full-time equivalent staff.

#### SOLDIERS' AND AIRMEN'S HOME

##### OPERATIONS AND MAINTENANCE

The bill includes authority to expend \$39,000,000 from the Soldiers' and Airmen's Home Permanent Fund. This amount is \$1,427,000 above the budget request and \$1,752,000 above the amount provided in 1989. This level will support 1,037 full-time equivalent staff for the Home, the same as in 1989.

The Home was established by Congress in 1851 for the relief and support of retired, invalid, or disabled soldiers. Membership is a benefit for former warrant officers and enlisted personnel of the Army and Air Force who meet certain service and disability criteria. The Home's Permanent Fund is financed by monthly contributions from active duty personnel, courtmartial fines, interest payments and member fees. The increase above the President's request is intended to help offset the cumulative effect over several years of pay raise absorption and higher salary scales for health care personnel.

##### CAPITAL OUTLAY

The bill provides authority to expend \$8,500,000 from the Soldiers' and Airmen's Home Permanent Fund, which is the same as the budget request and \$6,320,000 below the amount available in 1989. This level of funding will allow the Home to proceed in a timely fashion with its long-term restoration program.

The Committee was disturbed to learn that the Home must replace 560 new windows that do not open for fresh air ventilation in

the Sheridan Dormitory at a cost of \$750,000. The Committee expects that future restoration/renovation projects will be more carefully managed.

#### UNITED STATES BIPARTISAN COMMISSION ON COMPREHENSIVE HEALTH CARE

The bill provides \$467,000 for the Comprehensive Health Care Commission, which is \$467,000 above the Administration request and \$566,000 less than the 1989 appropriation. The funds provided will permit the Commission to complete its reports during fiscal year 1990. The Commission is not expected to require further funding beyond that provided in this bill.

The Commission was established in 1988 to make recommendations to Congress for providing access to health care for the uninsured and comprehensive long-term care services to the elderly and disabled.

#### UNITED STATES INSTITUTE OF PEACE

The bill provides \$6,916,000 for the Institute, which is the same as both the budget request and the 1989 appropriation. The funds provided will permit the Institute to support 28 full-time equivalent staff, the same as in 1989.

The Institute was created by Congress in 1984 to provide education and training, basic and applied research, and information services to promote international peace and the resolution of conflicts.

#### WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

The bill does not include additional funding for the Second White House Conference on Library and Information Services, which was authorized last year in P.L. 100-382. \$1,750,000 was provided for the Conference in the 1989 supplemental appropriations bill. No funds were requested by the Administration for 1990. The Conference will sponsor broad-based public policy forums to identify library needs and priorities, with the areas of literacy, productivity, and democracy targeted for particular emphasis. The funds provided in 1989 will be sufficient to begin preparations for local, State and regional meetings to be held in advance of the national conference.

#### HOUSE OF REPRESENTATIVES REPORT REQUIREMENTS

The following items are included in accordance with various requirements of the Rules of the House of Representatives:

#### INFLATIONARY IMPACT STATEMENT

Pursuant to clause 2(l)(4), rule XI of the House of Representatives, the Committee estimates that enactment of this bill would have little overall inflationary impact on prices and costs in the operation of the national economy.

## COMPARISON WITH BUDGET RESOLUTION

Section 308(a)(1)(A) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended, requires that the report accompanying a bill providing new budget authority contain a statement detailing how the authority compares with the report submitted under section 302 of the Act for the most recently agreed to concurrent resolution on the budget for the fiscal year. This information follows:

[In millions of dollars]

	Sec. 302(b)		This bill <sup>1</sup>	
	Discretionary	Mandatory	Discretionary	Mandatory
Budget authority .....	\$45,087	\$110,371	<sup>1</sup> \$43,057	\$110,128
Outlays .....	49,237	110,479	48,850	109,573
Direct loans .....	30	0	30	0
Primary guarantees .....	0	0	0	0

<sup>1</sup> The Committee has deferred consideration of all programs for which no authorization has been enacted for fiscal year 1990.

The Committee has allocated \$2,030 million for unauthorized programs, including new or expanded authorizations such as child care and Head Start, for 1990. These funds will be needed at a later date when the appropriate authorization bills have been enacted into law. After including funds for these deferred programs, the Committee expects to use all of its 302(b) allocation for 1990.

The bill provides no new spending authority as described in section 401(c)(2) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344), as amended.

In accordance with section 308(a)(1)(C) of the Congressional Budget Act of 1974 (Public Law 93-344), as amended, the following information was provided to the Committee by the Congressional Budget Office:

## FIVE-YEAR PROJECTIONS

In compliance with section 308(a)(1)(C) of the Congressional Budget Act of 1974 (Public Law 93-344), as amended, the following table contains five-year projections associated with the budget authority provided in the accompanying bill:

Budget authority .....	\$138,105,461,000
Outlays:	
Fiscal year 1990 .....	115,442,343,000
Fiscal year 1991 .....	23,455,097,000
Fiscal year 1992 .....	5,117,698,000
Fiscal year 1993 .....	793,099,000
Fiscal year 1994 and future years .....	2,021,000

## FINANCIAL ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(D) of the Congressional Budget Act of 1974 (Public Law 93-344), as amended, the financial assistance to State and local government is as follows:

New budget authority .....	\$65,616,521,000
Fiscal year 1990 outlays resulting therefrom .....	50,079,273,000

## TRANSFER OF FUNDS

Pursuant to Clause 1(b), Rule X of the House of Representatives, the following table is submitted describing the transfer of funds provided in the accompanying bill.

The table shows, by Department and agency, the appropriations affected by such transfers.

## APPROPRIATION TRANSFERS RECOMMENDED IN THE BILL

Account to which transfer is to be made	Amount	Account from which transfer is to be made	Amount
Department of Labor:			
Employment Standards Administration:		U.S. Postal Service:	
Special Benefits.....	Indefinite	Postal Service fund.....	Indefinite
		Department of Labor:	
Salaries and expenses.....	28,640,000	Employment Standards Administration:	
Departmental management:		Black lung disability trust fund.....	28,640,000
Salaries and expenses.....	20,691,000	Black lung disability trust fund.....	20,691,000
Office of Inspector General.....	509,000	Black lung disability trust fund.....	509,000

## CHANGES IN APPLICATION OF EXISTING LAW

Pursuant to clause 3, rule XXI of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which may directly or indirectly change the application of existing law.

In some cases, the Committee has recommended appropriations which are less than the maximum amount authorized for the various programs which are funded in the bill. Whether these actions constitute a change in the application of existing laws is subject to individual interpretation, but the Committee felt that this fact should be mentioned.

The bill provides that appropriations shall remain available for more than one year for some programs for which the basic authorizing legislation does not presently authorize such extended availability.

In various places in the bill, the Committee has earmarked funds within appropriation accounts in order to fund specific sections of a law. Whether these actions constitute a change in the application of existing law is subject to individual interpretation, but the Committee felt that this fact should be mentioned.

On page 5 of the bill is language allowing the Labor Department to withhold from State allotments funds available for penalty mail under the Wagner-Peyser Act.

On page 10 is language establishing a maximum amount available for grants to States under the Occupational Safety and Health Act, which grants shall be no less than 50 percent of the costs of State programs required to be incurred under plans approved by the Secretary under section 18(b) of the Act.

On pages 10-12 of the bill are several provisions that (1) exempt farms employing 10 or fewer people from the Occupational Safety and Health Act, except those farms having a temporary labor camp (2) prohibit the promulgation or enforcement of any regulations



under the Occupational Safety and Health Act which restricts work activity in any area by reason of the potential for recreational hunting, fishing, or sports shooting in the area and (3) exempt employers of 10 or fewer from routine safety inspections under certain circumstances.

On page 13 of the bill is language allowing the Secretary of Labor to use any funds available to the Department to provide for the costs of mine rescue and survival operations in the event of major disasters.

On page 13 of the bill is a proviso prohibiting the carrying out of sections 104(g)(1) or 115 of the Federal Mine Safety and Health Act with respect to shell dredging, or with respect to any sand, gravel, surface limestone, surface clay, or colloidal phosphate mine.

On page 16 of the bill is a provision that notwithstanding section 838 of the Public Health Service Act, not to exceed \$10,000,000 of funds returned to the Secretary pursuant to section 839(c) of the Public Health Service Act or pursuant to a loan agreement under section 740 or 835 of the Act may be used for activities under titles III, VII, and VIII of the Act.

On page 17 is language providing that funds made available shall not be reduced pursuant to sections 638, 704, and 705 of Public Law 100-607.

On page 18 is language providing that the Vaccine Injury Compensation Trust Fund shall be reimbursed for claims arising from liability related to the administration of vaccines before October 1, 1988.

On page 19 is language providing that collections from user fees may be credited to the Centers for Disease Control appropriation.

On page 26 of the bill is a provision that in the administration of title XIX of the Social Security Act, payments to a State for any quarter may be made with respect to a State plan or plan amendment in effect during any such quarter, if submitted in, or prior to, such quarter and approved in that or any such subsequent quarter.

On page 28 is language allowing fees charged in accordance with 31 U.S.C. 9701 to be credited to the Health Care Financing Administration administrative account.

On page 28 is language providing that certain travel expense payments under the Federal Mine Safety and Health Act may be made only when travel of more than 75 miles is required.

On page 29 is language providing that monthly black lung benefits shall be rounded to the nearest dollar as is currently done with other benefits paid by the Social Security Administration.

On page 30 is language providing that travel expense payments under section 1631(h) of the Social Security Act may be made only when travel of more than 75 miles is required.

On page 30 is language requiring that none of the funds appropriated by this Act may be used for the manufacture, printing, or procuring of social security cards, as provided in section 205(c)(2)(D) of the Social Security Act, where paper and other materials used in the manufacture of such cards are produced, manufactured, or assembled outside of the United States.

On page 32 is language providing that a State may not receive more than one-fourth of the amount of its fiscal year 1989 allotment under part C of the Social Security Act for each quarter in

fiscal year 1990 during which part C applies to that State, and a State may not receive more than one-fourth of its annual limitation determined under section 403(k)(2) of the Social Security Act for each quarter in fiscal year 1990 during which part F of the act applies to that State, provided that the quarterly amounts specified shall be the maximum amounts to which the States may become entitled for these purposes.

On page 42 is language providing that from the amounts appropriated for part A of chapter 1 of title I of the Elementary and Secondary Education Act, an amount not to exceed \$250,000,000 may be obligated to carry out a new Merit Schools program and an amount not to exceed \$100,000,000 may be obligated to carry out a new Magnet Schools of Excellence program only if such programs are specifically authorized in law prior to March 1, 1990.

On page 45 is language providing that the maximum Pell grant a student may receive in the 1990-91 academic year is \$2,300.

On page 46 is language providing that funds provided herein for carrying out subpart 6 of part A of title IV shall be available notwithstanding sections 419G(b) and 419I(a) of the Higher Education Act of 1965.

On page 47 is language providing that of the funds appropriated to Howard University \$7,458,000 shall be for a matching endowment grant to be administered in accordance with the Howard University Endowment Act (Public Law 98-480) and shall remain available until expended.

On page 48 of the bill is language specifying that any unobligated balances remaining from fixed fees previously paid into the college housing loans account pursuant to 12 U.S.C. 1749d, relating to payment of costs for inspections and site visits, shall be available for the operating expenses of that account.

On page 55 of the bill is a provision requiring that appropriations to the NLRB shall not be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual non-profit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes.

On page 57 of the bill is a provision requiring that appropriations to the Railroad Retirement Board shall not be available for payments of standard level user charges pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended.

Sections 101 to 104, 201 to 216, 301 to 306, and Title V of the bill contain a number of general provisions, all of which have been carried in previous appropriations acts, which place limitations on the use of funds in the bill and which might, under some circumstances, be construed as changing the application of existing law.

#### DEFINITION OF PROGRAM, PROJECT AND ACTIVITY

During fiscal year 1990 for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended, the following information provides the definition of the term "program, project, and activity" for departments and agencies under the jurisdiction of the Labor, Health and Human Services, and Education and Related Agencies Subcommittee. The term "program, project, and activity" shall include the most specific level of budget items identified in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1990, the accompanying House and Senate Committee reports, the conference report and accompanying joint explanatory statement of the managers of the committee of conference and the tables inserted in the Congressional Record on the days when the bill or conference report is considered in the House.

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1989 AND THE  
BUDGET ESTIMATES FOR 1990**

**PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY**

[These funds become available automatically under earlier, or "permanent" law without further, or annual action by the Congress. Thus, these amounts are not included in the accompanying bill.]

(1) Agency and item	(2) New budget (obligational) authority, fiscal year 1989	(3) Budget estimates of new (obligational) authority, fiscal year 1990	(4) Fiscal year 1990 estimate compared with, fiscal year 1989
<b>FEDERAL FUNDS</b>			
<b>DEPARTMENT OF LABOR</b>			
Panama Canal Commission Compensation Fund .....	.....	12,400,000	+ 12,400,000
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Health Resources and Service Administration: Medical facilities guarantee and loan fund .....	.....	4,364,000	+ 4,364,000
Health Care Financing Administration: Grants to States for Medicaid .....	8,000,000,000	9,000,000,000	+ 1,000,000,000

Payments to health care trust funds .....	545,000,000	367,000,000	-178,000,000
Social Security Administration:			
Payments to Social Security trust funds .....	6,254,000,000	5,968,000,000	-286,000,000
Special benefits for disabled coal miners .....	250,000,000	211,000,000	-39,000,000
Supplemental security income program .....	3,000,000,000	2,936,000,000	-64,000,000
Family Support Administration:			
Family support payments to States .....	2,500,000,000	2,700,000,000	+ 200,000,000
Interim assistance to States for legalization .....	645,000,000	744,000,000	+ 99,000,000
Total, Department of Health and Human Services .....	21,194,000,000	21,930,364,000	+ 736,364,000
DEPARTMENT OF EDUCATION			
Office of vocational and adult education .....	7,148,000	7,148,000	.....
Guaranteed student loans .....	329,928,000	3,112,079,000	+ 2,782,151,000
Total, Department of Education .....	337,076,000	3,119,227,000	+ 2,782,151,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1989 AND THE  
BUDGET ESTIMATES FOR 1990--Continued**

**PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY**

[These funds become available automatically under earlier, or "permanent" law without further, or annual action by the Congress. Thus, these amounts are not included in the accompanying bill.]

(1) Agency and item	(2) New budget (obligational) authority, fiscal year 1989	(3) Budget estimates of new (obligational) authority, fiscal year 1990	(4) Fiscal year 1990 estimate compared with, fiscal year 1989
<b>CORPORATION FOR PUBLIC BROADCASTING</b>			
Public broadcasting fund .....	228,000,000	232,648,000	+ 4,648,000
<b>RAILROAD RETIREMENT BOARD</b>			
Federal Payments to Railroad Retirement Accounts .....	2,757,200,000	2,658,700,000	-98,500,000
Total, permanent new budget (obligational) authority, Federal funds .....	24,516,276,000	27,953,339,000	+ 3,437,063,000
<b>TRUST FUNDS</b>			

## DEPARTMENT OF LABOR

## Employment and Training Administration:

Unemployment trust funds.....	26,400,000,000	26,300,000,000	-100,000,000
Special workers' compensation expenses.....	87,000,000	95,000,000	+8,000,000
Gifts and bequests, Secretary of Labor and National Commission for Employment Policy.....	10,000	10,000	

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 Total, Department of Labor .....

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 26,395,010,000
 

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 -92,000,000
 

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DEPARTMENT OF HEALTH AND  
HUMAN SERVICES

## Assistant Secretary for Health: Public Health Service

trust funds .....	8,124,000	8,124,000	
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## Health Care Financing Administration:

Federal hospital insurance trust fund .....	75,330,747,000	80,688,514,000	+5,357,767,000
Federal hospital insurance catastrophic coverage reserve fund .....	554,000,000	2,847,037,000	+2,293,037,000
Federal supplementary medical insurance trust fund .....	42,070,000,000	48,551,000,000	+6,481,000,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1989 AND THE  
BUDGET ESTIMATES FOR 1990--Continued**

**PERMANENT NEW BUDGET (OBLIGATIONAL) AUTHORITY**

[These funds become available automatically under earlier, or "permanent" law without further, or annual action by the Congress. Thus, these amounts are not included in the accompanying bill.]

(1) Agency and item	(2) New budget (obligational) authority, fiscal year 1989	(3) Budget estimates of new (obligational) authority, fiscal year 1990	(4) Fiscal year 1990 estimate compared with, fiscal year 1989
Federal supplementary medical insurance, catastrophic .....	1,169,000,000	4,914,963,000	+ 3,745,963,000
Federal catatrophic drug insurance trust fund.....	.....	833,000,000	+ 833,000,000
Federal old-age survivors insurance trust fund <sup>1</sup> .....	264,389,631,000	287,277,968,000	+ 22,888,337,000
Federal disability insurance trust fund <sup>1</sup> .....	24,888,722,000	29,084,041,000	+ 4,195,319,000
Total, Department of Health and Human Services.....	408,410,224,000	454,204,647,000	+ 45,794,423,000
<b>DEPARTMENT OF EDUCATION</b>			
Special Institutions: Promotion of education for the blind.....	10,000	.....	-10,000

<sup>1</sup> Included as "off budget".



Departmental management: Contributions.....	5,000	.....	-5,000
Total, Department of Education.....	15,000	.....	-15,000
RAILROAD RETIREMENT BOARD			
Rail Industry Pension Fund .....	3,178,890,000	2,925,091,000	-253,799,000
Railroad Social Security Equivalent Benefit Account.....	6,720,701,000	7,056,256,000	+ 335,555,000
Supplemental Annuity Pension Fund.....	117,552,000	114,617,000	-2,935,000
Total, Railroad Retirement Board.....	10,017,143,000	10,095,964,000	+ 78,821,000
SOLDIERS' AND AIRMEN'S HOME			
Payment of claims .....	2,000	2,000	.....
Total, permanent new budget (obligational) authority, Trust funds .....	444,914,394,000	490,695,623,000	+ 45,781,229,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1990**

(1) Agency and item	(2) New budget (obligational) authority appropriated, 1989 (enacted to date)	(3) Budget estimates of new (obligational) authority, 1990	(4) New budget (obligational) authority recommended in bill	(5) Bill compared with new budget (obligational) authority, 1989	(6) Bill compared with budget estimates of new (obligational) authority, 1990
<b>TITLE I - DEPARTMENT OF LABOR</b>					
<b>Employment and Training Administration</b>					
Program administration.....	70,952,000	63,193,000	63,193,000	-7,759,000	.....
<i>(Limitation on trust fund transfer)</i> .....	<i>(48,320,000)</i>	<i>(53,817,000)</i>	<i>(53,817,000)</i>	<i>(+ 5,497,000)</i>	.....
Training and employment services .....	3,737,817,000	3,861,316,000	3,976,486,000	+ 238,669,000	+ 115,170,000
Community service employment for older Americans .....	343,824,000	336,000,000	354,000,000	+ 10,176,000	+ 18,000,000
Federal unemployment benefits and allowances .....	272,518,000	284,000,000	284,000,000	+ 11,482,000	.....
State unemployment insurance and employment service operations .....	22,559,000	22,000,000	22,000,000	-559,000	.....
<i>(Limitation on trust fund transfer)</i> .....	<i>(2,449,956,000)</i>	<i>(2,440,100,000)</i>	<i>(2,537,700,000)</i>	<i>(+ 87,744,000)</i>	<i>(+ 97,600,000)</i>
Advances to the Unemployment Trust Fund and other funds .....	124,000,000	33,000,000	33,000,000	-91,000,000	.....
Total, Employment and Training Administration.....	4,571,670,000	4,599,509,000	4,732,679,000	+ 161,009,000	+ 133,170,000
<b>Labor-Management Services</b>					
Salaries and expenses .....	72,279,000	75,207,000	75,207,000	+ 2,928,000	.....

Pension Benefit Guaranty Corporation					
<i>Pension Benefit Guaranty Corporation fund (limitation on trust funds)</i> .....	(69,834,000)	(70,354,000)	(70,354,000)	(+ 520,000)	
Employment Standards Administration					
Salaries and expenses.....	212,561,000	218,322,000	218,322,000	+ 5,761,000	
<i>(Limitation on trust fund transfer)</i> .....	(520,000)	(1,019,000)	(1,019,000)	(+ 499,000)	
Special benefits .....	255,000,000	255,000,000	255,000,000		
Black Lung Disability Trust Fund:					
Definite.....	688,624,000	640,326,000	640,326,000	-48,298,000	
Indefinites .....	756,000	756,000	756,000		
Total, Black Lung Disability Trust Fund .....	689,380,000	641,082,000	641,082,000	-48,298,000	
Total, Employment Standards Administration.....	1,156,941,000	1,114,404,000	1,114,404,000	-42,537,000	
Occupational Safety and Health Administration					
Salaries and expenses.....	247,987,000	267,748,000	270,248,000	+ 22,261,000	+ 2,500,000
Mine Safety and Health Administration					
Salaries and expenses.....	162,893,000	169,039,000	170,039,000	+ 7,146,000	+ 1,000,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1990--Continued**

(1) Agency and item	(2) New budget (obligational) authority appropriated, 1989 (enacted to date)	(3) Budget estimates of new (obligational) authority, 1990	(4) New budget (obligational) authority recommended in bill	(5) Bill compared with new budget (obligational) authority, 1989	(6) Bill compared with budget estimates of new (obligational) authority, 1990
<b>Bureau of Labor Statistics</b>					
Salaries and expenses.....	187,573,000	193,171,000	193,771,000	+ 6,198,000	+ 600,000
(Limitation on trust fund transfer).....	(45,767,000)	(49,118,000)	(49,518,000)	(+ 3,751,000)	(+ 400,000)
<b>Departmental Management</b>					
Salaries and expenses.....	117,482,000	114,032,000	114,732,000	-2,750,000	+ 700,000
(Limitation on trust fund transfer).....	(282,000)	(285,000)	(285,000)	(+ 3,000)	.....
Assistant Secretary for Veterans Employment and Training (limitation on trust fund transfer).....	(157,520,000)	(162,623,000)	(162,623,000)	(+ 5,103,000)	.....
Office of the Inspector General.....	39,618,000	41,997,000	41,997,000	+ 2,379,000	.....
(Limitation on trust fund transfer).....	(5,633,000)	(5,194,000)	(5,194,000)	(-439,000)	.....
Total, Departmental Management.....	157,100,000	156,029,000	156,729,000	-371,000	+ 700,000
<b>Total, title I, Department of Labor:</b>					
New budget (obligational) authority.....	6,556,443,000	6,575,107,000	6,713,077,000	+ 156,634,000	+ 137,970,000
(Limitation on trust fund transfers).....	(2,777,832,000)	(2,782,510,000)	(2,880,510,000)	(+ 102,678,000)	(+ 98,000,000)

## TITLE II - DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Health Resources and Services Administration

Health resources and services .....	1,351,613,000	1,553,465,000	+ 63,719,000	+ 201,822,000
<i>(Limitation on direct loans)</i> .....	(50,000)	(50,000)	(-450,000)	.....
Medical facilities guarantee and loan fund .....	25,364,000	21,000,000	-600,000	-4,364,000
Health professions graduate student loan fund (HEAL) .....	6,570,000	25,000,000	+ 25,000,000	+ 18,430,000
Vaccine improvement program trust fund .....	133,100,000	129,100,000	+ 27,600,000	-4,000,000

### Total, Health Resources and Services

Administration .....	1,516,677,000	1,728,565,000	+ 115,719,000	+ 211,888,000
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### Centers for Disease Control

Disease control, research, and training .....	1,073,349,000	1,080,180,000	+ 102,959,000	+ 6,831,000
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### National Institutes of Health

National Cancer Institute .....	1,646,073,000	1,652,666,000	+ 81,723,000	+ 6,593,000
National Heart, Lung, and Blood Institute .....	1,082,497,000	1,090,930,000	+ 45,198,000	+ 8,433,000
National Institute of Dental Research .....	135,796,000	138,053,000	+ 7,219,000	+ 2,257,000
National Institute of Diabetes and Digestive and Kidney Diseases .....	582,629,000	590,276,000	+ 30,628,000	+ 7,647,000
National Institute of Neurological and Communicative Disorders and Stroke .....	493,502,000	495,203,000	+ 22,857,000	+ 1,701,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1990--Continued**

(1) Agency and item	(2) New budget (obligational) authority appropriated, 1989 (enacted to date)	(3) Budget estimates of new (obligational) authority, 1990	(4) New budget (obligational) authority recommended in bill	(5) Bill compared with new budget (obligational) authority, 1989	(6) Bill compared with budget estimates of new (obligational) authority, 1990
National Institute of Allergy and Infectious Diseases .....	742,277,000	842,712,000	845,523,000	+ 103,246,000	+ 2,811,000
National Institute of General Medical Sciences .....	654,664,000	682,249,000	692,639,000	+ 37,975,000	+ 10,390,000
National Institute of Child Health and Human Development.....	425,532,000	444,193,000	448,493,000	+ 22,961,000	+ 4,300,000
National Eye Institute.....	231,292,000	239,474,000	240,636,000	+ 9,344,000	+ 1,162,000
National Institute of Environmental Health Sciences .....	223,695,000	230,848,000	232,479,000	+ 8,784,000	+ 1,631,000
National Institute on Aging .....	222,845,000	230,490,000	241,528,000	+ 18,683,000	+ 11,038,000
National Institute of Arthritis and Musculoskeletal and Skin Diseases.....	160,015,000	168,588,000	171,673,000	+ 11,658,000	+ 3,083,000
National Institute of Deafness and Other Communication Disorders.....	94,833,000	99,902,000	99,952,000	+ 5,119,000	+ 50,000
Research resources.....	358,332,000	307,956,000	356,178,000	- 2,204,000	+ 48,172,000
National Center for Nursing Research.....	29,132,000	30,969,000	32,969,000	+ 3,837,000	+ 2,000,000
National Center for Human Genome Research.....	27,569,000	100,000,000	62,000,000	+ 34,431,000	- 38,000,000
John E. Fogarty International Center .....	14,002,000	15,532,000	15,579,000	+ 1,577,000	+ 47,000
National Library of Medicine .....	74,413,000	78,729,000	83,311,000	+ 8,898,000	+ 4,582,000
Office of the Director .....	68,223,000	95,658,000	106,987,000	+ 38,764,000	+ 11,329,000
Buildings and facilities.....	38,492,000	21,600,000	81,600,000	+ 43,108,000	+ 60,000,000
Total, National Institutes of Health.....	7,144,819,000	7,529,397,000	7,678,625,000	+ 533,806,000	+ 149,228,000

Alcohol, Drug Abuse, and Mental Health Administration					
Alcohol, drug abuse, and mental health .....	1,843,562,000	1,956,319,000	1,917,162,000	+ 73,600,000	-39,157,000
Federal subsidy for Saint Elizabeths Hospital .....	23,712,000	18,000,000	18,000,000	-5,712,000	.....
Total, Alcohol, Drug Abuse, and Mental Health Administration .....	1,867,274,000	1,974,319,000	1,935,162,000	+ 67,888,000	-39,157,000
Office of Assistant Secretary for Health					
Public Health Service management .....	59,631,000	83,845,000	95,345,000	+ 35,714,000	+ 11,500,000
(Unauthorized, not considered) .....	(147,849,000)	(147,893,000)	DEFER	(-147,849,000)	(-147,893,000)
(Limitation on trust fund transfer) .....	(6,916,000)	(1,037,000)	(1,037,000)	(-5,879,000)	.....
Retirement pay and medical benefits for commissioned officers (indefinite) .....	104,315,000	110,201,000	105,201,000	+ 886,000	-5,000,000
Medical Treatment Effectiveness .....	.....	24,000,000	5,000,000	+ 5,000,000	-19,000,000
(Limitation on trust fund transfer) .....	.....	(28,000,000)	(15,000,000)	(+ 15,000,000)	(-13,000,000)
Total, Assistant Secretary for Health .....	163,946,000	218,046,000	205,546,000	+ 41,600,000	-12,500,000
Total, Public Health Service:					
New budget (obligational) authority .....	11,766,106,000	12,311,788,000	12,628,078,000	+ 861,972,000	+ 316,290,000
(Limitation on direct loans) .....	(500,000)	(50,000)	(50,000)	(-450,000)	.....
(Limitation on trust fund transfer) .....	(6,916,000)	(29,037,000)	(16,037,000)	(+ 9,121,000)	(-13,000,000)

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1990--Continued**

(1) Agency and item	(2) New budget (obligational) authority appropriated, 1989 (enacted to date)	(3) Budget estimates of new (obligational) authority, 1990	(4) New budget (obligational) authority recommended in bill	(5) Bill compared with new budget (obligational) authority, 1989	(6) Bill compared with budget estimates of new (obligational) authority, 1990
<b>Health Care Financing Administration</b>					
Grants to States for Medicaid .....	34,291,986,000	37,616,497,000	38,616,497,000	+ 4,324,511,000	+ 1,000,000,000
Appropriation available from prior year advance .....	-8,000,000,000	-9,000,000,000	-9,000,000,000	-1,000,000,000	.....
Total, adjusted appropriation .....	26,291,986,000	28,616,497,000	29,616,497,000	+ 3,324,511,000	+ 1,000,000,000
New advance, biennial budget, FY 1991 .....	9,000,000,000	10,400,000,000	10,400,000,000	+ 1,400,000,000	.....
Payments to health care trust funds .....	31,227,000,000	36,338,500,000	36,338,500,000	+ 5,111,500,000	.....
Program management .....	93,284,000	102,908,000	101,908,000	+ 8,624,000	-1,000,000
(Limitation on trust fund transfer) .....	(1,799,704,000)	(1,901,172,000)	(1,992,159,000)	(+ 192,455,000)	(+ 90,987,000)
HMO loan and loan guarantee fund .....	.....	5,000,000	5,000,000	+ 5,000,000	.....
Total, Health Care Financing Administration:					
New budget (obligational) authority .....	66,612,270,000	75,462,905,000	76,461,905,000	+ 9,849,635,000	+ 999,000,000
Appropriations, fiscal year 1990 .....	(57,612,270,000)	(65,062,905,000)	(66,061,905,000)	(+ 8,449,635,000)	(+ 999,000,000)
Advance appropriations, FY 1991 .....	(9,000,000,000)	(10,400,000,000)	(10,400,000,000)	(+ 1,400,000,000)	.....
(Limitation on trust fund transfer) .....	(1,799,704,000)	(1,901,172,000)	(1,992,159,000)	(+ 192,455,000)	(+ 90,987,000)



Social Security Administration					
Supplemental security income program:					
Mandatory.....	11,383,822,000	10,941,627,000	10,944,627,000	-439,195,000	+ 3,000,000
Discretionary .....	1,090,131,000	1,110,815,000	1,090,131,000	.....	-20,684,000
Subtotal .....	12,473,953,000	12,052,442,000	12,034,758,000	-439,195,000	-17,684,000
Appropriation available from prior year advance.....	-3,000,000,000	-2,936,000,000	-2,936,000,000	+ 64,000,000	.....
Total, fiscal year 1989 appropriation current request.....	9,473,953,000	9,116,442,000	9,098,758,000	-375,195,000	-17,684,000
New advance, biennial budget, FY 1991 .....	2,936,000,000	3,157,000,000	3,157,000,000	+ 221,000,000	.....
Total, supplemental security income program .....	12,409,953,000	12,273,442,000	12,255,758,000	-154,195,000	-17,684,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1990--Continued**

(1) Agency and item	(2) New budget (obligational) authority appropriated, 1989 (enacted to date)	(3) Budget estimates of new (obligational) authority, 1990	(4) New budget (obligational) authority recommended in bill	(5) Bill compared with new budget (obligational) authority, 1989	(6) Bill compared with budget estimates of new (obligational) authority, 1990
Special benefits for disabled coal miners:					
Direct appropriation.....	885,336,000	859,862,000	859,862,000	-25,474,000	.....
Appropriation available from prior year advance.....	-250,000,000	-211,000,000	-211,000,000	+39,000,000	.....
Total, fiscal year 1990 appropriation current request.....	635,336,000	648,862,000	648,862,000	+13,526,000	.....
New advance, biennial budget, FY 1991 .....	211,000,000	215,000,000	215,000,000	+4,000,000	.....
Total, special benefits for disabled coal miners.....	846,336,000	863,862,000	863,862,000	+17,526,000	.....
Payments to social security trust funds.....	93,631,000	191,968,000	191,968,000	+98,337,000	.....
Limitation on administrative expenses: Trust funds.....	(3,731,398,000)	(3,833,389,000)	(3,833,389,000)	(+101,991,000)	.....
Total, Social Security Administration:					
New budget (obligational) authority.....	13,349,920,000	13,329,272,000	13,311,588,000	-38,332,000	-17,684,000
Appropriations, fiscal year 1990 .....	(10,202,920,000)	(9,957,272,000)	(9,939,588,000)	(-263,332,000)	(-17,684,000)
Advance appropriations, FY 1991.....	(3,147,000,000)	(3,372,000,000)	(3,372,000,000)	(+225,000,000)	.....
(Limitation on administrative expenses).....	(3,731,398,000)	(3,833,389,000)	(3,833,389,000)	(+101,991,000)	.....

Family Support Administration					
Family support payments to States:					
Direct appropriation.....	10,892,020,000	11,191,946,000	11,707,946,000	+ 815,926,000	+ 516,000,000
Appropriation available from prior year advance.....	-2,500,000,000	-2,700,000,000	-2,700,000,000	-200,000,000	.....
Total, fiscal year 1990 appropriation current request.....	8,392,020,000	8,491,946,000	9,007,946,000	+ 615,926,000	+ 516,000,000
New advance, biennial budget, FY 1991 .....	2,700,000,000	3,000,000,000	3,000,000,000	+ 300,000,000	.....
Total, family support payments.....	11,092,020,000	11,491,946,000	12,007,946,000	+ 915,926,000	+ 516,000,000
Payments to States for AFDC work program:					
Mandatory.....	.....	254,000,000	318,535,000	+ 318,535,000	+ 64,535,000
Discretionary .....	91,440,000	95,975,000	31,440,000	-60,000,000	-64,535,000
Total, Payments to States for AFDC work program.....	91,440,000	349,975,000	349,975,000	+ 258,535,000	.....
Low income home energy assistance .....	1,383,200,000	1,100,000,000	1,400,000,000	+ 16,800,000	+ 300,000,000
Refugee and entrant assistance (unauthorized) .....	(382,356,000)	(242,318,000)	DEFER	(-382,356,000)	(-242,318,000)
Community services block grant .....	377,086,000	42,000,000	371,538,000	-5,548,000	+ 329,538,000
(Unauthorized, not considered) .....	(3,512,000)	.....	DEFER	(-3,512,000)	.....
Program administration.....	80,632,000	76,631,000	82,431,000	+ 1,799,000	+ 5,800,000

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1990--Continued**

(1) Agency and item	(2) New budget (obligational) authority appropriated, 1989 (enacted to date)	(3) Budget estimates of new (obligational) authority, 1990	(4) New budget (obligational) authority recommended in bill	(5) Bill compared with new budget (obligational) authority, 1989	(6) Bill compared with budget estimates of new (obligational) authority, 1990
<b>Total, Family Support Administration:</b>					
New budget (obligational) authority.....	13,024,378,000	13,060,552,000	14,211,890,000	+ 1,187,512,000	+ 1,151,338,000
Appropriations, fiscal year 1990.....	(10,324,378,000)	(10,060,552,000)	(11,211,890,000)	(+ 887,512,000)	(+ 1,151,338,000)
Advance appropriations, FY 1991.....	(2,700,000,000)	(3,000,000,000)	(3,000,000,000)	(+ 300,000,000)	.....
(Unauthorized, not considered).....	(385,868,000)	(242,318,000)	DEFER	(-385,868,000)	(-242,318,000)
<b>Assistant Secretary for Human Development Services</b>					
Social Services Block Grant.....	2,700,000,000	2,700,000,000	2,700,000,000	.....	.....
Human development services.....	2,568,739,000	2,740,653,000	2,757,959,000	+ 189,220,000	+ 17,306,000
(Unauthorized, not considered).....	(4,834,000)	(80,000,000)	DEFER	(-4,834,000)	(-80,000,000)
Payments to States for foster care and adoption assistance.....	1,498,252,000	1,286,447,000	1,556,364,000	+ 58,112,000	+ 269,917,000
(Unauthorized, not considered).....	(45,000,000)	.....	DEFER	(-45,000,000)	.....
<b>Total, Assistant Secretary for Human Development Services.....</b>	6,766,991,000	6,727,100,000	7,014,323,000	+ 247,332,000	+ 287,223,000
(Unauthorized, not considered).....	(49,834,000)	(80,000,000)	DEFER	(-49,834,000)	(-80,000,000)



**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1990--Continued**

(1) Agency and item	(2) New budget (obligational) authority appropriated, 1989 (enacted to date)	(3) Budget estimates of new (obligational) authority, 1990	(4) New budget (obligational) authority recommended in bill	(5) Bill compared with new budget (obligational) authority, 1989	(6) Bill compared with budget estimates of new (obligational) authority, 1990
<b>TITLE III - DEPARTMENT OF EDUCATION</b>					
Compensatory education for the disadvantaged .....	4,579,138,000	5,080,441,000	5,580,069,000	+1,000,931,000	+499,628,000
School assistance in federally affected areas (Impact aid).....	733,096,000	629,260,000	739,260,000	+6,164,000	+110,000,000
School Improvement Programs.....	1,218,087,000	1,260,770,000	1,170,527,000	-47,560,000	-90,243,000
Bilingual education.....	181,586,000	187,761,000	194,761,000	+13,175,000	+7,000,000
(Unauthorized, not considered).....	(15,808,000)	(16,345,000)	DEFER	(-15,808,000)	(-16,345,000)
Education for the handicapped.....	1,961,288,000	2,013,827,000	2,063,827,000	+102,539,000	+50,000,000
Rehabilitation services and handicapped research.....	1,673,220,000	1,726,384,000	1,743,973,000	+70,753,000	+17,589,000
American Printing House for the Blind <sup>1</sup> .....	5,335,000	5,537,000	5,537,000	+202,000	.....
National Technical Institute for the Deaf <sup>1</sup> .....	33,326,000	35,553,000	35,553,000	+2,227,000	.....
Gallaudet University <sup>1</sup> .....	65,998,000	68,850,000	68,350,000	+2,352,000	-500,000
Vocational and adult education .....	1,073,466,000	1,114,904,000	1,151,035,000	+77,569,000	+36,131,000
Student financial assistance .....	5,814,320,000	5,844,960,000	6,021,960,000	+207,640,000	+177,000,000
Guaranteed student loans.....	4,066,828,000	3,192,234,000	3,651,000,000	-415,828,000	+458,766,000
Higher education.....	565,729,000	551,637,000	634,976,000	+69,247,000	+83,339,000
Howard University.....	178,973,000	184,904,000	184,904,000	+5,931,000	.....

<sup>1</sup> Request submitted under consolidated "Special Institution for the Handicapped".

College housing loans:					
Borrowing authority .....	29,640,000			30,000,000	+ 360,000
Interest subsidies.....	1,675,000	5,129,000		5,129,000	+ 3,454,000
					.....
Total, college housing loans .....	31,315,000	5,129,000		35,129,000	+ 3,814,000
					=====
Educational research and statistics.....	78,201,000	101,330,000		100,330,000	+ 22,129,000
Libraries.....	137,200,000	137,200,000		114,876,000	- 22,324,000
					=====
Departmental management:					
Program administration .....	250,464,000	271,946,000		269,946,000	+ 19,482,000
Office for Civil Rights.....	41,635,000	45,178,000		45,178,000	+ 3,543,000
Office of the Inspector General.....	18,619,000	22,000,000		22,000,000	+ 3,381,000
					=====
Total, Departmental management.....	310,718,000	339,124,000		337,124,000	+ 26,406,000
					=====
Total, title III, Department of Education:					
New budget (obligational) authority .....	22,707,824,000	22,479,805,000		23,833,191,000	+ 1,125,367,000
(Unauthorized, not considered).....	(15,808,000)	(16,345,000)		DEFER	(-15,808,000)
					=====
					=====
					+ 1,353,386,000
					(-16,345,000)
					=====

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1990--Continued**

(1) Agency and item	(2) New budget (obligational) authority appropriated, 1989 (enacted to date)	(3) Budget estimates of new (obligational) authority, 1990	(4) New budget (obligational) authority recommended in bill	(5) Bill compared with new budget (obligational) authority, 1989	(6) Bill compared with budget estimates of new (obligational) authority, 1990
<b>TITLE IV - RELATED AGENCIES</b>					
<i>ACTION (unauthorized)</i> .....	(170,420,000)	(170,417,000)	DEFER	(-170,420,000)	(-170,417,000)
Commission on Railroad Retirement Reform .....	988,000	.....	.....	-988,000	.....
Corporation for Public Broadcasting:					
Public broadcasting fund (advance appropriation):					
Fiscal year 1991 .....	242,060,000	.....	.....	-242,060,000	.....
Fiscal year 1992 .....	56,810,000	242,060,000	314,060,000	+ 257,250,000	+ 72,000,000
Federal Mediation and Conciliation Service .....	25,813,000	25,190,000	26,380,000	+ 567,000	+ 1,190,000
Federal Mine Safety and Health Review Commission .....	4,030,000	4,005,000	4,030,000	.....	+ 25,000
National Commission on Children .....	790,000	.....	940,000	+ 150,000	+ 940,000
National Commission on Responsibilities for					
Financing Postsecondary Education .....	790,000	.....	.....	-790,000	.....
National Commission on Libraries and Information					
Science .....	741,000	770,000	750,000	+ 9,000	-20,000
National Commission on Migrant Education .....	1,976,000	.....	.....	-1,976,000	.....
National Commission to Prevent Infant Mortality .....	494,000	.....	400,000	-94,000	+ 400,000
National Council on Disability .....	1,160,000	1,157,000	1,157,000	-3,000	.....
National Labor Relations Board .....	136,983,000	140,111,000	140,111,000	+ 3,128,000	.....
National Mediation Board .....	6,472,000	6,384,000	6,384,000	-88,000	.....
Occupational Safety and Health Review Commission .....	5,845,000	5,970,000	5,970,000	+ 125,000	.....



Physician Payment Review Commission (trust funds) .....	(2,897,000)	(3,722,000)	(3,847,000)	(+950,000)	(+125,000)
Prescription Drug Payment Review Commission (trust funds) .....	.....	(2,086,000)	(1,500,000)	(+1,500,000)	(-586,000)
Prospective Payment Assessment Commission (trust funds) .....	(3,495,000)	(3,794,000)	(3,919,000)	(+424,000)	(+125,000)
Railroad Retirement Board:					
Dual benefits payments account.....	320,740,000	303,000,000	310,000,000	-10,740,000	+7,000,000
Federal payments to the Railroad Retirement Accounts.....	3,100,000	.....	.....	-3,100,000	.....
(Limitation on administration, retirement).....	(59,626,000)	(60,550,000)	(63,900,000)	(+4,274,000)	(+3,350,000)
(Limitation on administration, unemployment).....	(13,950,000)	(13,450,000)	(14,100,000)	(+150,000)	(+650,000)
(Limitation on administration, review activity).....	(3,213,000)	(4,000,000)	(3,545,000)	(+332,000)	(-455,000)
Total, Railroad Retirement Board .....	323,840,000	303,000,000	310,000,000	-13,840,000	+7,000,000
Soldiers' and Airmen's Home:					
Operation and maintenance (trust funds) .....	37,248,000	37,573,000	39,000,000	+1,752,000	+1,427,000
Capital outlay (trust funds) .....	14,820,000	8,500,000	8,500,000	-6,320,000	.....
Total, Soldiers' and Airmen's Home .....	52,068,000	46,073,000	47,500,000	-4,568,000	+1,427,000
United States Bipartisan Commission on Comprehensive Health Care .....	1,033,000	.....	467,000	-566,000	+467,000
United States Institute of Peace.....	6,916,000	6,916,000	6,916,000	.....	.....
White House Conference on Library and Information Services .....	1,750,000	.....	.....	-1,750,000	.....

**COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1989 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1990--Continued**

(1) Agency and item	(2) New budget (obligational) authority appropriated, 1989 (enacted to date)	(3) Budget estimates of new (obligational) authority, 1990	(4) New budget (obligational) authority recommended in bill	(5) Bill compared with new budget (obligational) authority, 1989	(6) Bill compared with budget estimates of new (obligational) authority, 1990
<b>Total, title IV, related agencies:</b>					
New budget (obligational) authority .....	870,559,000	781,636,000	865,065,000	-5,494,000	+83,429,000
Appropriations, fiscal year 1990 .....	(571,689,000)	(539,576,000)	(551,005,000)	(-20,684,000)	(+11,429,000)
Advance appropriations, fiscal year 1991 .....	(242,060,000)	.....	.....	(-242,060,000)	.....
Advance appropriations, fiscal year 1992 .....	(56,810,000)	(242,060,000)	(314,060,000)	(+257,250,000)	(+72,000,000)
(Unauthorized, not considered) .....	(170,420,000)	(170,417,000)	DEFER	(-170,420,000)	(-170,417,000)
(Limitation on trust fund transfers) .....	(6,392,000)	(9,602,000)	(9,266,000)	(+2,874,000)	(-336,000)
(Limitation on administrative expenses) .....	(76,789,000)	(78,000,000)	(81,545,000)	(+4,756,000)	(+3,545,000)
<b>Grand total, all titles:</b>					
New budget (obligational) authority .....	141,793,471,000	150,890,569,000	155,191,521,000	+13,398,860,000	+4,300,952,000
Appropriations, fiscal year 1990 .....	(126,647,601,000)	(133,876,509,000)	(138,105,461,000)	(+11,457,860,000)	(+4,228,952,000)
Advance appropriations, fiscal year 1991 .....	(14,847,000,000)	(16,772,000,000)	(16,772,000,000)	(+1,925,000,000)	.....
Advance appropriations, fiscal year 1992 .....	(56,810,000)	(242,060,000)	(314,060,000)	(+257,250,000)	(+72,000,000)
(Unauthorized, not considered) .....	(769,779,000)	(656,973,000)	DEFER	(-769,779,000)	(-656,973,000)
(Limitation on direct loans) .....	(500,000)	(50,000)	(50,000)	(-450,000)	.....
(Limitation on trust fund transfers) .....	(4,664,981,000)	(4,800,822,000)	(4,977,473,000)	(+312,492,000)	(+176,651,000)
(Limitation on administrative expenses) .....	(3,808,187,000)	(3,911,389,000)	(3,914,934,000)	(+106,747,000)	(+3,545,000)